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# Southeast Asia Report

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29 March 1984

## SOUTHEAST ASIA REPORT

## CONTENTS

## FIJI

Fiji Hunts Possible Foreign Intruders (THE EVENING POST, 29 Feb 84).....	1
Fiji Seeks Hong Kong Investors (THE EVENING POST, 5 Mar 84).....	2
Briefs Patrol Boats for Economic Zone.....	3

## INDONESIA

U.S. Withdrawal From UNESCO Regretted (SURABAYA POST, 31 Dec 83).....	4
Foreign Minister on PRC (PELITA, 31 Dec 83).....	5
Mohammad Sadli Reviews Economic Situation (KOMPAS, 31 Dec 83).....	6
Muslim Association Accepts Single Principle (PELITA, 30 Dec 83).....	11
Ali Wardhana's View of Economy in 1984 (Ali Wardhana Interview; TEMPO, 31 Dec 83).....	12
Sudomo Talks About Manpower, Unemployment (KOMPAS, 31 Dec 83).....	17
Editorial Hails Acceptance of Pancasila by East Java Muslims (SURABAYA POST, 30 Dec 83).....	19

Holding PPP Congress After NU Congress Suggested (KOMPAS, 31 Dec 83).....	20
'Mysterious Killings' in 1983 Described (TEMPO, 31 Dec 83).....	23
Development of Swampland in Merauke (KOMPAS, 31 Dec 83).....	25
Nurtanio CN-235 Aircraft Successfully Tested (SINAR HARAPAN, 30 Dec 83).....	27
Biographic Information on Indonesian Personalities	29
Defense Department Buys 16 CASA Aircraft (SINAR HARAPAN, 30 Dec 83).....	33

#### KAMPUCHEA

VODK Urges Continued Pressure Against Vietnam (Voice of Democratic Kampuchea, 10 Mar 84).....	34
VODK Predicts Failure for Nguyen Co Thach Trip (Voice of Democratic Kampuchea, 11 Mar 84).....	36
Report on Agricultural Developments 5-11 March (Kampuchean media, 5-11 Mar 84).....	38
PRK-Thai Border Visited; Soldiers Interviewed (PRAVDA, 29 Feb 84).....	42
Clandestine Radios Report Battlefield Activity (Voice of Democratic Kampuchea, various dates; Voice of the National Army of Democratic Kampuchea, 11, 14 Mar 84).....	45
SRV Position 'Completely Liberated' Two Moung Communes 'Liberated' Thirteen Villages 'Liberated' Kompong Cham Office 'Liberated' SRV Battalion Position 'Liberated' SRV Troops Ambushed Attack on Svay Sisophon	

Briefs	
KPRAF Unit Operation	47

#### LAOS

Lao River Forces' Feats of Arms Praised (QUAN DOI NHAN DAN, 18 Jan 84) .....	48
---	----

## NEW ZEALAND

First New Zealand Party Convention Grapples With Defense, Economy (Various sources, various dates).....	49
Defense Changes Debated, by Michael Hannah Strong Philosophical Differences, by G. G. Shand Delegates Differ on Economy Party's Influence Analyzed, by Tony Garnier	
Muldoon Wary of 'Pacific Grenada' (Hugh Nevill; THE EVENING POST, 3 Mar 84).....	57
Air Force Views Sale of Australian Navy Skyhawks (THE NEW ZEALAND HERALD, 27 Feb 84).....	59
CER Benefits Extend to Japan (David Porter; THE EVENING POST, 27 Feb 84).....	61
Australian, New Zealand Labor Party Nuclear Visit Policies Analyzed (Editorial; THE NEW ZEALAND HERALD, 28 Feb 84).....	63
Labor Party's Lange Vows Tax Structure Overhaul (THE EVENING POST, 27 Feb 84; THE NEW ZEALAND HERALD, 29 Feb 84).....	65
Firm Restraint on Government Spending, by Tony Garnier Editorial Sees Limited Options	
Social Credit Leader Brands Muldoon Trip 'Failure' (THE PRESS, 28 Feb 84).....	68
Oil Stockpiles Adequate if Persian Gulf Blocked (THE EVENING POST, 28 Feb 84).....	69
Taxpayers Subsidize Sheep, Beef Farm Income (THE EVENING POST, 29 Feb 84).....	70
Prime Minister Modifies 'Bretton Woods' Proposals (THE PRESS, 6 Mar 84).....	71

## PHILIPPINES

Editorial Decries Schemes of 'Insidious Forces' (TIMES JOURNAL, 9 Mar 84).....	72
---	----

Detained Australian Priest Reported Hospitalized (AFP, 12 Mar 84).....	74
Paper Urges Supreme Court Not To Vacillate on Decree (Editorial; MANILA TIMES, 13 Mar 84).....	75

## VIETNAM

### MILITARY AFFAIRS AND PUBLIC SECURITY

Minh Hai Province Tightens Coastal Security (Bui Van Bong; QUAN DOI NHAN DAN, 9 Feb 84).....	77
Hoang Van Thai Speech on Study of Military History (Hoang Van Thai; QUAN DOI NHAN DAN, 9 Feb 84).....	79
Briefs Hanoi Inspection Teams	89

### PARTY ACTIVITIES AND GOVERNMENT

Hanoi Youth Union Congress Reviews Youth Movement (NHAN DAN, 18 Jan 84).....	91
---	----

### ECONOMIC PLANNING, TRADE AND FINANCE

Vinh Phu Enumerates Socio-Economic Targets for 1990 (Nguyen Van Ton; NHAN DAN, 10 Jan 84).....	94
Inefficient Use of Electricity Criticized (Binh Nguyen; NHAN DAN, 18 Jan 84).....	100
Lack of Services in Mining Region Criticized (Hong Diep; QUAN DOI NHAN DAN, 9 Feb 84).....	104

### AGRICULTURE

Large-Scale Production of Industrial Crops Urged (Editorial; NHAN DAN, 10 Jan 84).....	108
Dong Nai Reports on Development of Rubber Industry (Thien Anh; NHAN DAN, 10 Jan 84).....	111

Gia Lai-Kontum National Assembly Deputy Reports on Economic Progress	
(Kpa Thin; NHAN DAN, 18 Jan 84).....	113

#### HEAVY INDUSTRY AND CONSTRUCTION

Increased Production of Building Materials Seen as Urgent Need	
(Editorial; NHAN DAN, 18 Jan 84).....	114

#### LIGHT INDUSTRY

Conference Reviews Small Industry, Handicraft Efforts	
(NHAN DAN, 10 Jan 84).....	116

#### TRANSPORTATION AND COMMUNICATIONS

Growth of Post-Telegraph Sector in 1983 Viewed	
(NHAN DAN, 18 Jan 84).....	118

FIJI

FIJI HUNTS POSSIBLE FOREIGN INTRUDERS

Wellington THE EVENING POST in English 29 Feb 84 p 5

[Text] SUVA, Feb 28.--The hunt for possible foreign intruders on the island of Kadavu, south of Suva, is still on.

The commander of Fiji's naval squadron, Commander Stan Brown, confirmed they were hunting for "people" who brought two military assault type dinghies and hid them on the island.

However, Commander Brown said the mystery surrounding the steel container found in waters near the spot where the dinghies were hidden, had been cleared.

He said the container looked like a type of boiler with insulators around it. But it was in fact not a boiler and appeared to be some sort of a water heater and was from a fishing vessel, he said.

"You can tell by the smell," he said. "It is not connected with what we are looking for."

The container was brought to Suva by the naval vessel HMFS Kula for a check because it was found close to where the dinghies, believed to have carried foreign intruders to Kadavu, were discovered last Tuesday.

The dinghies, each capable of carrying up to 20 people, had inboard engines but the propellers had been removed and they were camouflaged with foilage. They are now being kept at the Government centre at Vunisea on Kadavu.

Troops were rushed to the island last Thursday by sea to search for possible intruders after villagers reported foreigners visiting the island in the past "to hunt for something on Mount Washington." NZPA

CSO: 4200/600

FIJI SEEKS HONG KONG INVESTORS

Wellington THE EVENING POST in English 5 Mar 84 p 8

[Text] SUVA, March 1.--Fiji may relax its immigration rules to attract Hong Kong businessmen to the South Pacific country as residents and investors, finance minister Mosese Qionibaravi told Parliament.

But he said that Fiji would not copy some other countries, which he did not name, by selling its passports to people who wanted instant citizenship.

The present policy is to grant seven-year residence permits to foreigners who are prepared to invest \$200,000 (about \$NZ305,000) in the country.

The residents can apply for citizenship after seven years if they are from a commonwealth country and after nine years from other nations.

The minister said the Government was considering an incentive to Hong Kong businessmen under which they would be allowed to come and go freely if they invested a specific sum in Fiji. He did not specify the amount.--NZPA-Reuter.

CSO: 4200/600

FIJI

BRIEFS

PATROL BOATS FOR ECONOMIC ZONE--SUVA, March 5.--The Fiji Government said today it plans to build small naval patrol vessels to police the country's 400,000-square mile economic zone. The announcement said an Australian offer to supply ships was rejected because the design was unsuitable. The Fiji naval unit operates three Bluebird-class minesweepers, all originally built for the United States Navy more than 30 years ago and said to be reaching the end of their useful life. The naval unit wants up to six ships of its own design--each with a 33 metre steel hull capable of moving up to 18 knots and carrying a helicopter landing deck. The vessels will be built at the government shipyard in Suva. Fiji believes its design could interest other Pacific Island countries.--NZPA-AP. [Text] [Wellington THE EVENING POST in English 7 Mar 84 p 10]

CSO: 4200/600

U. S. WITHDRAWAL FROM UNESCO REGRETTED

Surabaya SURABAYA POST in Indonesian 31 Dec 83 p 1

[Text] Jakarta--Minister of Foreign Affairs Mochtar Kusumaatmadja has regretted the action taken by the United States to withdraw from UNESCO, a United Nations organization which is active in the fields of education and culture.

Answering a question from the press in Jakarta on Friday [30 December], the minister of foreign affairs stated that the decision to participate in or to withdraw from an international organization was the right of every country. However, he regretted the fact that a major country like the U. S. was leaving such an organization.

However, the minister of foreign affairs said that this action could be understood because a step like this was once taken by Indonesia when it withdrew from the United Nations and by Burma when it withdrew from the Non-Aligned Movement at the time of the summit conference in Cuba.

Nevertheless, Indonesia considers that this is not a positive step to take, even though Indonesia respects this action as a decision made by one state.

Minister of Foreign Affairs Mochtar declared that at its most recent session UNESCO had softened its attitude. He said: "But just at a time when things were beginning to improve, the U. S. has withdrawn. This is regrettable."

Meanwhile, the decision by the United States to withdraw from UNESCO was received with surprise by Ismail Hasan Metareum, master of laws and chairman of Committee I of Parliament (defense and security matters, foreign affairs, and information).

Ismail Hasan Metareum said that if the U. S. finally withdrew from UNESCO, that would not create a good image for the U. S. itself, particularly in the Third World, and would not be advantageous for the interests of the U. S.

The chairman of Committee I of Parliament said that the United States should consider and take into account the aspirations of the peoples of the Third World and should sincerely cooperate in the achievement of peace, justice, and human welfare.

INDONESIA

\* FOREIGN MINISTER ON PRC

Jakarta PELITA in Indonesian 31 Dec 83 p 1

[Excerpts] Indonesia sees no new reasons in what happened in 1983 to reconsider restoring relations with the PRC.

At a year-end press conference held in Jakarta, Minister of Foreign Affairs Mochtar stated that various political problems, in particular multilateral problems, had been handled via diplomatic channels of the PRC and Indonesian missions to the U.N. and certain other places.

Mochtar said that as long as the PRC gives refuge to PKI [Communist Party of Indonesia] members and has not stated that they would not aid subversive movements on Indonesian territory, Indonesia would not restore diplomatic relations with them.

9846

CSO: 4213/134

MOHAMMAD SADLI REVIEWS ECONOMIC SITUATION

Jakarta KOMPAS in Indonesian 31 Dec 83 p 1, 12

[Text] Jakarta, KOMPAS--Indonesian economic growth in 1984 is expected to be four percent, which is less than the targeted growth rate of five percent per year for PELITA [5-year development plan] IV. The reason is the serious world recession, especially as related to oil.

The nonoil export sector was the brightest spot in the Indonesian economy in 1983. Exports cannot be permitted to depend upon market mechanisms, however, and beginning in 1984 there must be new investments to support exports.

Prof Dr Mohammad Sadli, secretary general and chairman of the LP3E (Institute for Economic Research, Study and Development) of the Indonesian KADIN [Chamber of Commerce and Industry], said this yesterday in Jakarta during his year-end evaluation of KADIN activities for the press.

He stated that international economic growth in 1984 will rise at an estimated one percent over that of 1983. It is very possible that the Indonesian economy will be affected accordingly. "In view of world economic developments, we can be more optimistic than we were in 1983. But we should not expect too much," he said.

Indonesian economic growth was slightly more than two percent in 1982, according to Sadli, and in 1983 it was about three percent. Growth is expected to be four percent in 1984. The low estimate for next year is a result of the deep recession prevailing since 1980, particularly in the oil economy.

"So, economic growth in 1984 will not reach the PELITA IV target average of five percent per year. Normal conditions are not expected to return until 1985," he added. Not much is expected from the international oil economy and markets in 1984. There is more hope for the years to follow, but that still is a question mark.

Conditions in 1983

Prof Sadli took the occasion to describe Indonesian economic conditions in 1983. He said that although 1983 was better than 1982 it was still a

difficult year. The year 1983 has been a transition period marked by the government's abolishment of many economic policies in order to streamline itself to fit the new climate of scarce resources.

"The year 1983 can be called a year of stabilization, a year of retrenchment," he said. By the end of the year, he continued, the government was encouraged by the return of equilibrium in the economy, in the balance of payments, in the budget and in monetary matters.

By that he meant that inflation is within controllable limits of 12 percent per year in spite of the shock of devaluation. Foreign exchange reserves are rising instead of falling, and imports have been bridled.

Nevertheless, said Sadli, this stabilization has left many casualties. Economic growth is low, the industrial sector is sluggish, and growth in the services sector has declined. At the same time, growth in the agricultural sector in 1983 has not been impressive, probably below three percent, partly as a result of a long dry season and partly because of existing policies, especially in the forestry and fisheries sector.

#### Exports Bright

According to Prof Sadli, the brightest spot in the Indonesian economy in 1983 was the nonoil exports sector. Nonoil exports, which reached their peak in 1980 with foreign exchange revenues of \$6.1 billion, declined to \$3.9 billion in 1982. But in 1983 they began to climb again, and by the end of the year they are expected to have earned \$4.9 billion to \$5 billion.

"The cause is the passing of world recession, and we have been carried along," he added. In 1984, the improving world economy will produce expansion in world trade. Sadli estimated that Indonesian nonoil exports next year will grow about 20 percent over 1983 volumes.

In fact, Sadli is sure that the government's export target, as presented by Minister of Trade Rachmat Saleh at the KADIN symposium on improving nonoil exports, can be achieved. Rachmat Saleh said that the nonoil export target in PELITA IV will be doubled during the 5 years, meaning that if at the beginning of PELITA IV nonoil exports total \$4.5 billion they must increase to \$9 billion at the end of PELITA IV.

"That is possible, since a doubled value in 5 years means an annual average increase of only 15 percent," he said. Considerable increases in the value of exports are expected during the early years of PELITA IV, but increases are not expected to be high in the succeeding years since world economic stabilization following the recession will have been reached.

"I expect that good conditions will continue in the West until the end of 1985 or the beginning of 1986. A small recession may then be possible, but the picture is not yet clear," he added.

## National Strategy

Whether we like it or not, according to Sadli, Indonesian economic improvement is pulled along by nonoil exports, because there is no other "locomotive." Normally, the most powerful locomotive for Indonesian economic growth is the income from oil and natural gas, but that will not be true for 1984.

"It can now be said with certainty that the 1984-1985 period will be good. The nonoil exports that began in 1983 must be continued, but we cannot be careless," he stated.

The government as well as the private sector must take organized action, perform planning and set policies to promote exports. Exports cannot be permitted to depend upon market mechanisms only. Although market conditions support improvements in Indonesia nonoil exports, there are many problems to be faced.

"The first is the depletion of supply. That means that more supply must come from new production. The conclusion is that beginning in 1984 there must be new investments," he added.

It was for that purpose, he said, that the KADIN symposium on improving nonoil exports concluded that a national strategy for expanding such exports is essential. "That is the qualitative aspect. The quantitative side deals with which commodity is to be exported, what its potential is, to whom it will be shipped, what its quality will be, and what the national target will be," he said.

In that connection, KADIN stresses the necessity for institutional cooperation between the government and the private sector, namely KADIN. KADIN sees the need for a separate organization to set the course for exports, using the name National Export Management Board [BPEN]. "Of course there is already a BPEN (National Export Development Board--editorial note), but we want a BPEN with a new style," he declared. The function of the board proposed by KADIN would be more extensive than the present BPEN, which according to Sadli is only a promotion apparatus under the Department of Trade.

## New Investments

The subject of new investments to support exports received special attention from Prof Sadli. He affirmed the truth of the statement by Minister of Industry Engr Hartarto that many factories are producing under capacity.

That is merely a short-term condition. When everything returns to normal, unused capacity will be employed quickly. New investment must therefore be ready in 1984. "New investment is not easy, is it? From planning to construction can take a year," he said.

The choice of sector in which to invest must of course depend on objective conditions and prospects for the future. But Sadli sees the industrial sector, especially industries that use natural resources and are energy-intensive, as the best prospects for future exports.

He is optimistic that sources of capital for these investments can be found. He said recent developments have shown that investments have not declined in spite of the recession in Indonesia. Total investments in 1983 are expected to exceed those of 1982. "This is because of the strong desire to make investments in spite of much unused installed capacity," he said.

Some of the capital for investment must of course come from abroad. With world economic conditions improving, it is very possible that there will be many foreign credit offers for the purchase of capital goods. That is logical, since the industrialized countries also want to sell their own goods to improve their economies.

Offers will come from Europe, the United States and Japan. How they can be used will be up to the Indonesian private sector. In practice, each lender asks for collateral, but it is difficult for most Indonesian industries to put up collateral. If domestic banks cannot provide the collateral, Sadli said, a solution is a joint enterprise.

"That is not pleasant to hear. It appears to be magnifying the place of foreign capital investment. But what is the alternative if the government is not able to help the private sector fulfill its financial needs?" he added.

#### Evenly Distributed

Prof Sadli added that the industrial sector in Indonesia is not homogeneous. There are state enterprises that have their own sources of funds. There are foreign private industries with sources of funds abroad, and there are national private industries. National private industries are divided between the strong, who are usually nonnative, and the weak, who are known to be native.

He said that the medium-sized and small private industries are the ones that usually are unable to provide collateral in their efforts to obtain foreign loans. The big ones have no problems.

The role of government banks is definitive in solving this problem. Foreign loans are channeled through government banks, which in turn pass them to medium-sized and small national industries. The Indonesian Development Bank is now doing this type of thing.

"I remain optimistic that sources of capital exist. It remains for us to decide which sector to develop and which has great potential for expansion, and then to give our financial attention to it," he declared.

KADIN general chairman Sukamdani said that he agrees with Sadli but that it is a challenge to the government to see that the funds are channelled evenly. They should not be for the benefit of large entrepreneurs, who are nonnative.

KADIN itself declares that distribution must be done scientifically if it is to be performed evenly. Both natives and nonnatives have potential. Natives possess sociopolitical potential, and nonnatives have potential in their precision, persistence and capital.

6942

CSO: 4213/133

MUSLIM ASSOCIATION ACCEPTS SINGLE PRINCIPLE

Jakarta PELITA in Indonesian 30 Dec 83 p 1, 4

[Text] Jakarta, PELITA--The DPP [central executive council] of the Indonesian Association of Muslims, or DMI, stated that, with trust in God, it accepts Pancasila [basic principles of the Indonesian republic] as the single principle of the state and people of the Republic of Indonesia.

This statement by the DMI DPP was issued on Thursday [29 December] and was signed by Dr H. Husein Kartasasmita and Drs H. Zaedus Syahar SH [doctor of jurisprudence] general chairman and acting secretary general, respectively, of that organization.

The statement said that consideration had been given to the MPR [People's Consultative Congress] decision of 1983 on broad outlines of state policy and to President Soeharto's speech on the occasion of the birthday of the Prophet Muhammad on 17 December.

The DMI DPP urged regional leaders throughout Indonesia to increase their religious and social welfare activity and assistance in order to expand participation in national development.

The council called on the entire Islamic community to increase compliance with Islamic teachings in its lifestyle, in accordance with the Koran and the Sunna.

The statement concluded with a prayer for mercy and help and for physical and spiritual strength for the entire Indonesian nation in its implementation of national development.

6942

CSO: 4213/133

ALI WARDHANA'S VIEW OF ECONOMY IN 1984

Jakarta TEMPO in Indonesian 31 Dec 83 pp 72-3

[Interview with Ali Wardhana, coordinating minister for economics, finance, and industry, by Fikri Jufri; date and place not specified]

[Text] He is still in the same office he used when he was minister of finance, on Jalan Lapangan Banteng. However, the atmosphere in the office of Dr Ali Wardhana, coordinating minister for economics, finance, and industry and supervisor of development, has changed a great deal. There are many maps, bundles of documents, and books piled on the minister's desk, even spilling onto the floor.

Confused? He smiles, then points to a small sign in a corner, "Bless This Mess." However, it seems that he is still cheerful in dealing with a never-ending volume of work. There is another sign which he brought back from overseas and which says: "A Clean Desk Is a Sign of a Sick Mind."

Have Indonesian economic indicators begun to improve? Or do we still need to tighten our belts? What is the situation affecting routine expenditures? Will they increase more substantially than development expenditures?

He said, as he began to answer our questions: "Wait for the president's speech on 9 January. However, what is certain is that our economy next year will still be in as difficult a position as last year." Straightening in his chair, Minister Ali Wardhana, 55 years old, was interviewed by Fikri Jufri last week. He continued his answers to our questions as follows:

[Answer] Indeed, the U. S. economy has begun to improve, and we have begun to feel its effects with an increase in non-petroleum exports, such as plywood and rubber. Our production of plywood, which is now about 2 billion cubic meters annually, will apparently continue to increase because of the size of orders from the United States.

However, the economic improvement in the United States still needs to be watched closely. Just look at the economic growth which took place in the fourth quarter of 1983, which fell again to 4.6 percent. During the third quarter of 1983 economic growth in the United States amounted to 7.6 percent. In my view, the situation there has not really improved. It does not appear that the economic situation is improving in Europe, where the annual growth rate is still between 1 and 2 percent. Japan had previously been growing between 3.5 and 4 percent per year.

[Question] How good are non-petroleum exports now?

[Answer] During fiscal year 1981-82 our actual non-petroleum exports amounted to \$4.2 billion. Then in the following year, as a result of the recession, they fell to \$3.8 billion. However, this year it is estimated that they will be no less than \$4.4 billion. And it appears that they will continue to increase.

[Question] For the present fiscal year the target for the oil company tax (PP) was estimated at Rp 8.8 trillion, on the basis of an average price of oil of \$34 per barrel and an average daily production of 1.5 million barrels. However, in February 1983 OPEC reduced the price by \$5 per barrel, and Indonesia was allocated a production quota of 1.3 million barrels of oil per day. Can such a tax target be reached under the circumstances?

[Answer] Well, that is balanced by the 38 percent devaluation of the rupiah in March 1983. I estimate that the target will be reached by the end of the fiscal year in March 1984.

[Question] Will routine budgetary expenditures increase next year? Which areas of routine expenditure are still felt to be burdensome?

[Answer] As usual, the large, routine expenditure areas include salaries, the installments on the foreign debt, and subsidies to the provincial governments. However, the largest area of expenditure is the subsidy on BBM [fuels].

[Question] If the fuel subsidy is reduced further, logically the fuel price will increase in 1984.

[Answer] What do you mean? Let's just listen to the president's speech. However, if we insist on a large fuel subsidy, then we will be forced to reduce the development effort. On the other hand, if the fuel subsidy is reduced, there will be a greater opportunity to finance more development projects. In the past, when the fuel price was increased, the price of other commodities also increased. However, that was a very limited increase, and the higher price of fuel did not disturb the economy.

[Question] Is the fuel price now approaching the cost of producing the fuel, bearing in mind the fact that the crude oil price was frozen by OPEC at its meeting in Geneva at the beginning of December 1983?

[Answer] For four types of fuel the established price is already above the cost of production: super grade gasoline, premium grade gasoline, jet fuel, and aviation gasoline. However, for four other types of fuel, particularly kerosene and

solar oil, which are consumed in large quantities, the price is still far below the cost of production. These two fuels account for a rather large expenditure in terms of the subsidy. Basically, the profit made from the first four types of fuel does not yet make up for the losses from the subsidy on the other four types of fuel.

In other countries the price of fuel is usually calculated on the basis of the real price of crude oil. However, for many years in Indonesia fuels have been continuously subsidized. This means that the calculation of the price is not based on the real price of crude oil.

[Question] What is the situation regarding the development projects that have been rescheduled? Will some of them be unfrozen?

[Answer] As I said just a moment ago, 1984 will be as difficult as 1983. Therefore, the government continues to feel that it is necessary to study these matters carefully: which projects really need to be financed with foreign exchange? This will be done by avoiding placing further pressure on the balance of payments.

[Question] What do you mean?

[Answer] As the president has said, the projects affected by rescheduling can be carried out if they are financed by soft loans.

[Question] Have such soft credits been offered?

[Answer] Yes they have, from the Netherlands, for example. They have offered a combined credit package, that is, made up of export credits and grants. That combination is so arranged that it can be included in the soft loan category.

[Question] Some observers believe that the rescheduling decision was a backward step in terms of the development program. What do you think of this?

[Answer] That is correct. However, the development program would have declined even further if the government had not taken this action. Consider, if a number of projects costing \$21 billion had not been rescheduled but had simply been continued, this would have increased the current account deficit during the present fiscal year by \$11 billion. As it turned out, with the rescheduling of these projects, the current account deficit has been reduced, and it is estimated that it will not exceed \$5 billion. During the past fiscal year the deficit on current account amounted to \$6.5 billion.

[Question] In view of what you have said, it appears that the development budget will be held down next year. How much development can the government finance with foreign loans during the period of the Fourth 5-Year Plan?

[Answer] That, of course, depends on our export capacity. As long as this is not very substantial, I believe it would be safer for us to limit ourselves in terms of foreign loans. Regarding soft loans, such as those available from IGGI [Inter-Governmental Group on Indonesia], the total amount of the loans may be rather large. This is because the impact of these soft loans on the balance of

payments can be averaged out over a very long period of time. However, the impact of commercial loans is felt more quickly. Therefore, we need to limit ourselves. If the gap between exports and imports is large—which means that the deficit on current account is also large—while we know that the total amount of soft loans, whatever it may be, is limited, we cannot increase our commercial debt at will. This is because such a step would create a burden on the balance of payments over the short term. Even worse, under conditions like the present, which are still difficult, the total, acceptable commercial debt is also limited.

[Question] Recently, before the Indonesian Financial Executive Institution (IFEI) you mentioned that the Indonesian debt service ratio—the repayment of foreign debts, compared to exports—had reached the level of 24 percent. Is that a sign of danger?

[Answer] A danger as such, no. However, we need to be careful. I spoke like that before a forum of financial executives, whose members include foreigners. And the measurement tool, the debt service ratio, as used by the World Bank, is not calculated on the basis of government debts only, but also includes debts owed by state-owned and private companies. These three sectors, when they repay their debts, have an impact on the same balance of payments.

[Question] So what is the real debt service ratio in terms of government debt?

[Answer] If it is limited to just the government debt, it amounts to between 17 and 17.5 percent.

[Question] In view of the number of developing countries which are presently burdened by large foreign debts, such as Latin America, do you think that it is time for the "critical" point in terms of the debt service ratio, as determined by the World Bank, to be revised?

[Answer] As a point of reference, I think that the measurement tool of 20 percent needs to be maintained. Indeed, there are countries, such as Brazil, whose debt service ratio has reached 80 percent. However, the measurement tool of 20 percent needs to be used so that every developing country will be careful about contracting additional commercial debt.

That means nothing less than making sure they retain the confidence of foreign bankers. Because if we are unable to repay our debts, it will be difficult for us to contract new loans. Look at what is happening now in the Philippines.

[Question] The policy announced by the Bank Indonesia last June caused government banks to maintain too liquid a position. Money coming into the banks in the form of deposits is not balanced by loans being made. How long can this tight money policy be continued?

[Answer] I think that it is time for a change. This is because the banks cannot continue indefinitely to pay interest on their deposits while receipts from bank loans remain small. However, the banks, which have been asked by the Bank Indonesia to stand on their own feet, apparently need time to choose the borrowers to whom loans will be extended.

The rapid inflow of deposits from June to the end of November 1983 amounted to about 2 trillion rupiahs. From 1976 until the policy announced last June entered into effect total deposits in government banks only amounted to 330 billion rupiahs. As a matter of fact, the rate of deposits and loans has not been synchronized.

[Question] If inflation remains high, will there again be capital flight to Singapore?

[Answer] If we look at this question in terms of the level of interest, it appears that the interest on bank deposits in Indonesia is, on the average, twice as high as it is in Singapore. There the interest rate is generally 7-8 percent annually. However, we need to include the factor of inflation. In Indonesia this year it is estimated that inflation will amount to between 11.5 and 12 percent. Therefore, the interest rate on bank deposits, which is 17 percent on the average, in reality only amounts to 5 percent. In Singapore, where the inflation rate is about 3 percent, the real interest on bank deposits is about the same as it is here. If the banks set a low rate of interest, there is a real danger of capital flight, as you said.

Therefore, what we must pay attention to is inflation. The lower the inflation the lower the landing rate ["landing rate" in English in the text] (interest on loans).

[Question] As a result of the recession, domestic demand is still sluggish. In a number of countries this problem is usually handled through the use of fiscal policy, which can stimulate the business sector. A number of observers believe that it is now time for the government to consider deficit financing on a limited scale. Is that a good idea?

[Answer] What stimulates economic activity is the state budget: the smaller the development budget the less economic activity there is. However, don't forget that the target for the development budget during the Third 5-Year Plan was 24 trillion rupiahs, whereas 32 trillion rupiahs were actually spent. Can this be called a tight money policy?

This does not include the injection of funds by the banking sector, for example in terms of investment credits, KIK [Small Investment Loans], and KMKP [Permanent Working Capital Loans]. Therefore, I think that the government has increased the development budget to the maximum possible extent during the Third 5-Year Plan.

5170

CSO: 4213/135

## INDONESIA

### SUDOMO TALKS ABOUT MANPOWER, UNEMPLOYMENT

Jakarta KOMPAS in Indonesian 31 Dec 83 pp 1, 9

[Text] At the end of the 1983/1984 fiscal year there were about 2.8 million government employees. Plans are to take on about 162,690 new government employees for the upcoming fiscal year. Up to now, about 7,915 workers have been channeled into the AKAD [Interregional Labor Exchange] program, 5,976 between provinces and 1,939 between counties in the same province. AKAD has requested 24,594 workers over nine months, which means that there are still 24,594 positions available in the provinces.

Between April and December of 1983, 98,675 workers, 97,173 Indonesians and 1,502 foreigners, were absorbed by the PMDN (Domestic Capital Investment) and the PMA (Foreign Capital Investment) programs.

Minister of Manpower Sudomo made these statements to the heads of the metropolitan newspapers Thursday evening [29 December] in the Jakarta Hilton during his year-end observations on manpower issues. Minister of Information Harmoko and top-level officials from the Ministry of Manpower and the Department of Information, among others, attended the meeting.

#### Potentially Unemployed

According to Sudomo, it was calculated that there would be employment opportunities for 55.4 million people in 1983 out of a work force of 64.3 million. So there would be potential unemployment for 8.1 million members of the work force. During the last 4 years (1980-1983), potential unemployment has grown on the average by 587,700 people per year.

The minister of manpower stated that in 9 months of the 12 that he has been head of the Ministry of Manpower there have been 75 strikes involving 21,405 workers. Because of those strikes, 262,116 working hours were lost. During a similar period of time in 1982, there were 172 strikes involving 51,087 workers with 482,206.5 working hours lost. A lot of strikes, 31 in number, occurred in April and May, whereas there were hardly any strikes in November and December.

On the subject of strikes, Sudomo announced that striking workers would have their pay cut. Besides that, he suggested that entrepreneurs maintain close ties with their employees and that they train and develop them.

## Cleanup Steps

In attempting to create a department consisting of the best, most open, incorruptible and authoritative public servants the leadership of the Department of Manpower, among other things, has taken cleanup actions against 184 employees; 164 have been fired and 19 have been dishonorably discharged. Most of them were involved in taking bribes, corruption and mismanagement, and one was proven to have been involved in the G-30-S/PKI [30th of September Movement/Communist Party of Indonesia].

According to Sudomo, an internal cleanup team, led by the minister himself, carried out these cleanup actions within the department. This operation was also supported by letters to the department's P.O. Box 555.

Since P.O. Box 555 was initiated 9 months ago, 3600 letters have been sent in. "Including those containing all kinds of slander and criticisms of the minister," said Sudomo. We have already processed and taken care of 3004 of them, and the rest are still being processed.

Sudomo also expressed his greatest appreciation to the Indonesian press which almost daily contains items about the ministry's policies. "Maybe people are tired of seeing me or reading about me in the papers or on television. I've almost always been in the papers or on television when I was [head of] KOPKAMTIB [Command for the Restoration of Security and Order] and now that I'm minister of manpower," he said.

## PELITA IV [Fourth 5-Year Plan] Priorities

Minister Sudomo stated that the success of the upcoming PELITA IV depends on two things, manpower and transmigration. In the previous PELITA, the priorities were food, clothing and lumber, but in the future they will be manpower and transmigration. That is why the current Fourth Development Cabinet has separated the Department of Transmigration from the Department of Manpower.

So, not long after taking over as minister of manpower, the former PANGKOPKAMTIB [Commander of KOPKAMTIB] quickly consolidated departmental organization, carried out an internal cleanup operation and opened P.O. Box 555. Other initiatives have been a broadening of work areas, building up industrial relations based on PANCASILA [Five Principles of the Nation], and increasing occupational training and national productivity. Besides that, they have attempted to increase the occupational welfare, safety and health of workers.

To carry out these initiatives, the minister has set seven priorities. These are: reorganizing the ministry and national and regional planning mechanisms and labor exchanges. Other priorities are AKAN [International Labor Exchange], handling the explosion of SLTA [High School] graduates, P-4 [Orientation towards Experiencing and Implementing PANCASILA] upgrading for entrepreneurs and employees, paying attention to the welfare of the workers through cooperatives, an expanded ASTEK [Workers Social Insurance] program and other initiatives for productivity.

EDITORIAL HAILS ACCEPTANCE OF PANCASILA BY EAST JAVA MUSLIMS

Surabaya SURABAYA POST in Indonesian 30 Dec 83 p 6

[Editorial: "Affirmation"]

[Text] This newspaper yesterday reported a statement by H. Anwar Zain, chairman of the regional executive council of East Java Muhammadiyah, that Pancasila [basic principles of the Indonesian republic] as single principle is no longer an issue for Muhammadiyah. Its inclusion in the constitution and bylaws must await an authoritative conference, however.

Today this paper carries a report of the outcome of a meeting between the Surabaya branch of the HMI [Muslim College Students Association] and the HMI Alumni Association. The main point is that they support the position of the East Java HMI coordination board on Pancasila as single principle for the organization.

These two statements have clarified the issue and removed any doubt that may have arisen about the position of these two prominent Islamic organizations. There were, for example, reports of a statement by the minister of religion that Muhammadiyah was still "thinking" about Pancasila as single principle and of indications that the Surabaya HMI Alumni Association was leaning toward rejecting it.

Their affirmation is important not only for the two organizations and their supporters but also as a relief to Indonesians in general, who actually have never wavered in their confidence in these groups and who have drawn much inspiration from their patriotic, Pancasila spirit throughout the fight for independence and the development of our united Indonesia. It was very impressive that the East Java HMI stated Pancasila to be an expression of HMI objectives from the beginning, that is, defense of the Republic of Indonesia and promotion of the prestige of the Indonesian people.

Affirmations from East Java have arrived one after the other: first from the national conference of NU [Nahdlatul Ulama] Muslim Scholars in Situbondo and now from Muhammadiyah and HMI. The foremost Islamic organizations here are now complete in affirming their high traditions of endeavor and initiative for the religion, people and unified state of the Republic of Indonesia.

We are all fortunate.

# HOLDING PPP CONGRESS AFTER NU CONGRESS SUGGESTED

Jakarta KOMPAS in Indonesian 31 Dec 83 p 12

[Text] Two important figures in the Nahdlatul Ulama [Muslim Scholars Party] (NU) yesterday stated their opinion that the PPP [United Development Party] congress should be held sometime in 1984 after the 27th NU congress.

According to H. Rachmat Muljomiseno, Drs, such a wise decision would be good for the PPP and for the NU itself. All of the NU's problems will have been gone over thoroughly at its congress so they will be presented in a better way. This better presentation will strengthen the PPP's role.

On the other hand, H. M. Abduh Paddare, Drs, vice-chairman of the organizing committee for the 27th congress, bases his opinion on logic; if it is organized after the NU congress, we will have a longer time to prepare.

He reminded us that up to now we have not heard about any preparations, much less about the formation of an organizing committee for the party congress. At the very most, we have heard that the general chairman and some leading members of the PPP want to organize a conference.

Asked about the best time to organize a PPP congress, Rachmat Muljomiseno, former member of the DPR [Parliament] from 1967 to 1982, and Abduh Paddare, former general chairman of the PB [Executive Board] of the PMII [Indonesian Muslim Students Association], indicated 1984. There are four reasons for supporting this opinion.

First, 1984 is the best year for welcoming PELITA IV [Fourth 5-Year Plan]. Second, the PPP has not yet held a congress so that if it is organized after 1984, feelings are that it is too long to wait. Third, it is in line with the wishes of the community which supports the PPP. Fourth, after 1984 the government will be busy with preparing for and firming up the 1987 general elections.

## No Differences in Principle

These two PPP leaders from the NU faction said that there were no cracks, much less splits, in the NU leadership. Nevertheless, neither of them could cover up the differences of opinion between prominent people in the NU. "But there are no differences in principle!," said Abduh Paddare. Both the Cipete "group" and the general chairman K. H. Ali Ma'shum "group" have accepted PANCASILA [Five

Principles of the Nation] as the basis of the organization. Both agree that NU's laws and bylaws should be brought into line with all of the MPR's [People's Consultative Assembly] decrees, in particular with the 1983 MPR decree No II about GBHN [Main Directions of State Policy].

Rachmat Muljomiseno, who admitted that he was not a Muslim scholar or a pious Muslim but did not want to be expelled from the NU, indicated that politics was behind this difference of opinion. "Because we have been thinking politically for too long, we must immediately return to the world of society, to the spirit present at NU's birth in 1926!," he explained.

Abduh Paddare and Rahmat Muljomiseno, in evaluating the unanimous decision of the 22 NU regional leaders in Cipete on 8 December and the outcome of the NU religious scholars national meeting in Situbondo from 18 to 21 December 1983, said, "They are equally serious and equally firm!."

This evaluation differs from the observations made by H. Ali Tamin, S.H. [Doctor of Jurisprudence], a member of the PPP from the Indonesian Muslim (MI) faction. Ali Tamin evaluated the Situbondo decision as much firmer and more serious in comparison to the statement made by the 22 NU regional leaders at Dr Idham Chalid's house in Cipete, South Jakarta.

#### Attempts to Split the NU

The two prominent members of the NU who sat on the organizing committee for the 27th NU congress, evaluated Ali Tamin's evaluation as an attempt to split the greater NU community. They are convinced that that attempt will not succeed in separating fellow members of the NU from each other.

According to Abduh Paddare, whatever is done by the mass organizations which support the MPR's decision must be respected. "Whoever does not take it seriously certainly has his own motives and goals," Abduh Paddare stated explicitly.

#### Source of the Breaks

Although there are no differences in principle, some NU figures admitted frankly that there were breaks between prominent members of the NU. The sources of these breaks included differences of interpretation of K. H. Dr Idham Chalid's letter of resignation on 6 May 1982 signed in the presence of four ulamas from the PB general chairman's office. This caused controversy in the NU community.

Besides the resignation, which was later withdrawn, they thought that the decisions of the 1981 NU national meeting held in Kaliurang, Yogyakarta also brought about differences of opinion. One of the Kaliurang decisions was the appointment of K. H. Ali Ma'shum as general chairman, replacing the late K. H. Bisri Sjamhuri. Those who do not agree say that the problem of the general chairmanship can only be resolved by a congress. Others believe that there is no problem because the decision was made by the advisory ulamas who are held in high esteem by the NU community.

Although there is a break, the Cipete group and the clique supporting the Kaliurang decision are both convinced that the difference of opinion can be settled by a congress.

The 27th congress committee was formed by the NU PB on 8 December. There will be a problem if there is a group that wants to form a new committee or revamp the old committee.

The committee, chaired by H. A. Chalid Mawardi, plans to organize the 27th NU congress in Jakarta from 28 April to 2 May 1984.

9846

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'MYSTERIOUS KILLINGS' IN 1983 DESCRIBED

Jakarta TEMPO in Indonesian 31 Dec 83 p 63

[Article: "1983 in Review: the Anti-Gangster Year"]

[Text] Not many people know about it. On Jalan Denai Ujung in Medan there is a new cemetery, specially designated for "Mister X." Since it was opened about 2 months ago, said an employee of Pirngadi Hospital, "about 20 people have been buried there." "Mister X" is the nickname for corpses whose identities are not known and who have died "suddenly." It turns out that there is a rather large number of such cases. According to one source, over the last few months about 150 people have been killed in the Medan area.

In Jakarta, West Java, Central Java, and East Java corpses are still found under similar circumstances. If they have not died from gunshot wounds, their throats have been cut, and their bodies show signs of torture. Indeed, bodies have been found with their heads cut off. For example, early in the morning of 16 November a package was delivered to the office of the newspaper SUARA INDONESIA in Malang, containing a still bleeding human head.

In East Java this year there were many strange cases. In addition to SUARA INDONESIA, several other addressees also received corpses in cardboard packages. At Nganjuk, for example, an unidentified corpse was sent to an address with the identification: "Koruptor Huler 05" [Corruption Case 05]. The return address was "Pembunuh Kakap" [Spy Killer].

It is not known why the killer treated his victims in this way. This was different from what happened in Yogyakarta. Last April Police Lt Col M Hasbi, commander of the Yogyakarta Police Garrison, declared "war" on bandits called "gali" [illegal groups]. Several associates of the bandit group were cut down. Among them were Suwahyono, Supeno, Slamet Gaplek, and Ismoyo (a graduate of the Faculty of Social and Political Science of the University of Gadjah Mada). According to Lieutenant Colonel Hasbi, this forceful action was taken to make sure that their organization, which had begun to spread in imitation of the Maffia, would not expand any further.

Since this drastic action was undertaken, crime statistics have fallen drastically. Hasbi's success quietly began to spread to Jakarta. At the beginning of May Jakarta residents in the know saw many gangsters die suddenly. Their corpses

were left on the side of the streets or near the markets, where they were usually active. In West Java also, similar things happened almost at the same time, but with slight variations: the victims were strangled and their hands were tied with plastic rope. This action was considered appropriate to hold down the incidence of crime, and it was followed by other areas, such as Central Java, East Java, and North Sumatra.

Compared to 1982, the figure on murders this year has risen quickly. According to Dr Abdul Mun'im of the LKUI [University of Indonesia Institute of Criminology], in 1982, 285 cases of murder were recorded, 41 of whose victims were shot to death. Most of the murders took place in the last few months of the year. In 1983, up to and including the first week of December, there were 369 cases of murder, 143 of whose victims were shot to death. May 1983 was a record month, with 47 murders, 21 of whose victims were shot to death.

It was in December 1983 that the Jakarta LBH [Legal Aid Society] held a discussion entitled: "Crime Prevention and Support for Law in the Culture and Law of the Pancasila" [Five Principles of the Nation]. Jurists generally regretted the killings of members of bandit groups. Adnan Buyung Nasution, in his usually harsh tone, called these incidents "planned killings which should not take place in a nation of laws." Prof Dr Soerjono Soekanto, professor of the sociology of law, thought that these killings took place because the legal procedures were not functioning properly.

Many people assumed that the secret pursuit of gangsters--not like what happened in Yogyakarta--was undertaken by the authorities. Gen Benny Moerdani, the commander of the Indonesian Armed Forces, following a coordination meeting of the political and security sectors of the government in Jakarta in June 1983, rejected this view. He said: "There are indeed criminals who have been killed by the authorities." However, the authorities concerned always took such action in accordance with the regulations. A criminal was only shot if he resisted arrest or tried to run away. And even that was only done after a warning shot was fired," he said. General Benny Moerdani even recalled that there have been gang wars in which many people have died.

The people seemed calm about this situation because they felt the situation was peaceful and calm. Indeed, crime statistics this year are relatively lower than they were last year. According to information obtained from Indonesian Police Headquarters, up to June 1983 there were 107,844 cases of crime and violations of the law. The comparable figure for all of 1982 was 246,891. However, there were differences in the data. For the period January-June 1982, for example, there were only 93 cases of murder in Jakarta. Meanwhile, the LKUI reported 181 murders during the same period--61 of whose victims were shot to death.

After many cases of various kinds of murder were recorded recently in East Java, Major General Soelarso, the commander of Military Region VIII/Brawijaya, apparently felt it was necessary to clarify where things stood. In an interview with the JAWA POS, he said: "Although our vigilance against all forms of crime continues to be high, our security forces stopped the operation to clean up crime a long time ago." While the operation was continuing, according to Major General Soelarso, the authorities always treated their victims properly. Victims were never shot out of hand, and still less were they wrapped up in packages with various kinds of messages on them and sent to certain addressees. He said: "The Indonesian Armed Forces have plenty of things to do and would not do shameful things like that."

## NURTANIO CN-235 AIRCRAFT SUCCESSFULLY TESTED

Jakarta SINAR HARAPAN in Indonesian 30 Dec 83 p 1, 12

[Text] Bandung, 30 Dec 83--Nurtanio's CN-235 aircraft successfully made its first flight today.

The plane left the runway at Hussein Sastranegara Airport in Bandung at 1024 West Indonesia time. Observing were Minister of State for Research and Technology Prof Habibie, Minister of Communications Rusmin Nuryadin and Armed Forces Commander Gen Benny Murdani.

The aircraft, named "Tetuko," took off perfectly and at 5000 ft above Bandung calibrated its instruments. It then climbed again to 8000 ft, where it made various maneuvers.

The plane was flown by a Spanish test pilot, who was accompanied by one of Nurtanio's own pilots.

The plane must complete 500 hours of testing before receiving a certificate of airworthiness. The test flight ended at 1145 hours, when the plane, designated PK-XNC, landed at the Hussein Sastranegara Airport to the applause of hundreds of spectators who had excitedly watched its first test flight.

Its takeoff and landing were executed perfectly. The CN-235 had become airborne at only 500 meters, whereas requirements permitted 900 meters. After several test flights at Hussein, further tests will be made at Kemayoran Airport in Jakarta.

### Expert Opinion

Aerodynamics experts have given full attention to the maiden flight of the CN-235 "Tetuko" because of the plane's unique features.

One of the CN-235's unique features is its "high-wing configuration," which enables it to land on simple airfields without damaging engines or wings.

Unlike aircraft that have wings attached to the fuselage, the CN-235's wings are not fastened directly to the fuselage but are "tied" to two strong

additional frame members. In this way, the space between the wing and the fuselage can be used for the air conditioning and air circulation system.

From the "load" calculation aspect, this system relieves the fuselage of the considerable weight of the wings.

The negative aspect of this wing configuration is in its aerodynamics, since air cannot flow in a straight line.

After lengthy tests, Nurtanio/CASA [Construcciones Aeronauticas SA] specialists were able to overcome this shortcoming by creating a slanted covering to prevent the airflow from striking a vertical surface.

Although use of a wind tunnel showed that this aerodynamic problem had been solved, the fact could be established only by flying the plane.

#### Serious Contender

The aircraft, which had its roll-out in September 1983, is expected to be on the market by September 1984, in competition with several other planes in its class ("commuter class"). By 1984-1985, there will be five makes of short-distance aircraft battling for the market. Nurtanio's most serious competition is the Dash 8 made by de Havilland Canada, which already has a good name because of its Twin Otter planes. The Dash 8 was successfully tested last September.

Another competing aircraft that has been tested is a Brazilian EMBRAER [Empresa Brasileira de Aeronautica SA] plane. This plane, with a capacity of 30 passengers, had its roll-out last July and its test flight in September. It is the least expensive in its class (about \$4.4 million at November exchange rates), but its cost per seat is greater than that of the Nurtanio plane (at a price of \$4.6 million and a cost per seat of only \$121,053) and the Dash 8 (at a price of \$5.1 million and cost per seat of \$141,666).

The CN-235 and these two competitors are built in accordance with Federal Aviation Regulations, Part 25, on short-distance passenger aircraft.

6942

CSO: 4213/133

## BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

MAJOR GENERAL (RETIRED) SOERACHMAN DIES—Major General (Retired) Soerachman (65 years old), who had been commander of Military Region VIII/Brawijaya from 1959-61, died on Monday, 12 December, at Doctor Soetomo Hospital in Surabaya. Soerachman had been suffering from heart disease, diabetes, and an inflammation of the throat. He was buried with full state honors in Dukuh Kupang Heroes Cemetery in Surabaya on 13 December. The deceased had attended HIS school [Dutch elementary school], MULO [Dutch junior high school], and AMS [Dutch senior high school]. He attended a Japanese-sponsored military cadre school in Magelang [Central Java] and an officers candidate school at Bogor [West Java] during the Japanese occupation of Indonesia during World War II. Soerachman was known for the major role he played during the Indonesian struggle for independence. He was born in Probolinggo [East Java] on 29 March 1918, the fourth son of S Dirdjosoemarto. After he retired from the Army, he occupied himself with gardening. The fruits and vegetables he grew he generally divided among his friends and relatives. The deceased leaves a wife and six children. [Text] [Jakarta KOMPAS in Indonesian 14 Dec 83 p 12] 5170

BRIGADIER GENERAL NUGROHO—On Wednesday [21 December] Attorney General Ismail Saleh, master of laws, presided over a change of office ceremony at which Brig Gen S Nugroho became deputy attorney general for intelligence, replacing Datuk Mulia, master of laws, the former incumbent of this position. The ceremony took place at the Office of the Attorney General.

- Brigadier General Nugroho, who is 45 years old, graduated in 1961 from the National Military Academy in Magelang [Central Java]. He was in the same class as Brigadier General Sutedjo (commander of Military Region XIV/Hasanuddin) and
- Brig Gen Sahala Rajagukguk (commander of Military Region XIII/Merdeka). His previous assignment was that of staff officer I/Domestic on the Intelligence Staff of the Department of Defense and Security. (Based on Presidential Decision 60 of 1983 this staff became the Strategic Intelligence Body--BAIS). He has spent most of his military career in the intelligence area. As a commander he began to attract attention as assistant I/Intelligence in Military Region XII/Tanjungpura. Nugroho was born in Mojokerto, East Java, on 28 November 1938. Among his associates at Tebet, the headquarters of the Intelligence Staff of the Department of Defense and Security, he is known to hold firm and hardline opinions

and does not like to change his mind once he has made a decision unless he is presented with a well-considered, opposing argument which he can accept.

Responding to questions from reporters, Nugroho said he was happy with his new duties in the Office of the Attorney General, because this kind of work is really the same as his duties at the BAIS. Nugroho said that for the time being he would confine himself to continuing the policies set out by Datuk Mulia, the former deputy attorney general for intelligence. He said that, although he is not a master of laws, he does not consider this an obstacle to doing his job, since he has spent a long time working in the intelligence field. His new duties will be all the easier, since a number of senior masters of law will be working with him.

Nugroho has four children—two sons and two daughters. The eldest child is now studying at the National Technical High School (STTN), while the youngest child is still in junior high school.

He promised the journalists that in the near future he would meet with the press to clarify further his new duties in the Office of the Attorney General.  
[Excerpts] [Jakarta SINAR HARAPAN in Indonesian 21 Dec 83 pp 1, 12] 5170

H DJADIL ABDULLAH DIES—H Djadil Abdullah, a former member of Parliament, died Friday afternoon [30 December] at Cipto Mangunkusumo Hospital in Jakarta. He died after 10 days of treatment at the Cendrawasih Pavillion of the hospital. The deceased, who had once served as chairman of the MI [Indonesian Muslim Community], was born in Palembang in 1919. In addition to serving as a member of Parliament in the Development Unity Faction [FPP] from 1971 to 1982, he had previously been a member of the Constituent Assembly and of Parliament from 1955 to 1960, representing the Masjumi [Indonesian Muslim Consultative Council]. In the Masjumi the deceased was chairman for South Sumatra (1955-60). He had also served as general chairman of the SNII (Indonesian Islamic Fishermen's Union). He was a member of a veterans' organization. [Text] [Jakarta PELITA in Indonesian 31 Dec 83 p 1] 5170

SENIOR OFFICERS OF DEFENSE DEPARTMENT SWORN IN—General (Retired) Poniman, minister of defense and security, installed 28 senior officers of the Department of Defense and Security in their respective new offices at a ceremony in the hall of the department on Tuesday [29 November]. Included among the officers are six bureau chiefs, five secretaries, 10 directors, four inspectors, and three chiefs of central offices. They include 10 brigadier generals, 17 colonels, and one lieutenant colonel.

Colonel (Infantry) (Retired) Soenarso is the new chief of the Bureau of Community Relations. He had previously been deputy chief of the Central Information Office of the Department of Defense and Security. The other officers and their new assignments are as follows:

Air Commodore Mulyanto Anwar, master of laws, is now director for materiel in the Directorate General of Materiel, Facilities, and Services. His previous position was that of chief of staff of the Air Force Materiel Command. Colonel Anis is now director for controls [pengendalian] in the Directorate General of General Plans and Budget. He had previously been deputy assistant for planning to the Navy chief of staff. Col (Retired) Imam Basiran Hadisaputro is now the director

for veterans' development and administration in the Directorate General of Personnel, Human Resources, and Veterans Affairs. He had previously been a staff officer at Indonesian Armed Forces Headquarters.

Brig Gen Heru Gunadi is now the director of facilities and services in the Directorate General of Materiel, Facilities, and Services. He had previously been chief of the Army Engineers Office. Col A A Swastomo is now the director of financial administration in the Directorate General of General Plans and Budget. He had previously been deputy chief of the Army Finance Office. Col (Artillery) Asmin Muhadi is now director of budget and finance services in the Directorate General of General Plans and Budget. He had previously been staff officer II/Sku General Coordination Staff] in the Department of Defense and Security. Colonel (Infantry) Tjahyono is now director of mobilization, demobilization and people's training in the Directorate General of Personnel, Human Resources, and Veterans Affairs. He had previously been assistant for operations in PUSCADNAS [National Reserves Center].

Colonel (Adjutant General's Department) Suyitno is now director of development and personnel administration in the Directorate General of Personnel, Human Resources, and Veterans Affairs. He had previously been staff officer IV/PERSSIP [civilian personnel] on the Personnel Staff [SPERSMAN] of the Department of Defense and Security. Col (Artillery) Eman Abdul Rachman is now director of supplies [Pengadaan] in the Directorate General of Materiel, Facilities, and Services. He had previously been staff officer I/Supplies on the Logistics Staff of the Department of Defense and Security. Air Commodore Dr Susilo Wibowo is now director of health and rehabilitation of injured personnel in the Directorate General of Materiel, Facilities, and Services. He had previously been deputy chief of the Armed Forces Health Center.

Brig Gen S Momon H Adiputra is now chief of the general bureau of the Office of the Secretary General of the Department of Defense and Security. He had previously been chief of the Army Finance Office. Lieutenant Colonel (Infantry) Doctor Soemijono is now chief of the Bureau of Foreign Relations in the Office of the Secretary General of the Department of Defense and Security. He had previously been chief of the Americas and European Bureau and staff officer VII in the Intelligence Section of the Department of Defense and Security. Col Engr Djafar Basri is now chief of the Data Collection and Processing Bureau. He had previously been ASBINSIS PULLAHTA [expansion unknown] in the Department of Defense and Security.

Colonel Sudiarsoyo is now chief of the Bureau of Security in the Office of the Secretary General. He had previously been assistant for intelligence in Defense Area IV/Maluku-Irian Jaya. Col (Infantry) Engr Ibrahim Mardjuki is now chief of the Bureau of Organization in the Office of the Secretary General. He had previously been staff officer IV/JEMEN [expansion unknown] on the General Planning Staff of the Department of Defense and Security.

Colonel Doctor Soerastomo is now secretary of the Industrial and Technological Study and Development Board. He had previously been deputy chief of the Data Collection and Processing Center of the Department of Defense and Security. Col (Infantry) N K Effendi is now secretary of the Directorate General of Personnel,

Human Resources, and Veterans Affairs. He had previously been deputy chief of the National Reserves Center.

Brig Gen Soeselo Prawiro S is now secretary of the Office of the Inspector General. He had previously been an inspector of materiel in the Office of the Inspector General of the Department of Defense and Security. Brig Gen Sri Suharto is now secretary of the Directorate General of General Planning and Budget. He had previously been deputy assistant for financial supervision in the Department of Defense and Security. Brig Gen Aziz Mugni is now secretary of the Directorate General of Materiel, Facilities, and Services. He had previously been an inspector in the Office of the Inspector General of the Department of Defense and Security.

Col (Artillery) Suhardi R is now inspector for special affairs in the Office of the Inspector General. He had previously been an inspector for law and order operations [OPSTIB], assigned for duty to the Governor of Metropolitan Jakarta. Brig Gen Ismoyo P is now inspector for program implementation in the Office of the Inspector General. He had previously been an inspector for program development in the Office of the Inspector General of the Department of Defense and Security. Brig Gen Dr S O Sobandi A is now inspector of financial and equipment matters. He had previously been a general inspector in the Office of the Inspector General of the Department of Defense and Security. Brigadier General Selardi is now inspector of personnel affairs in the Office of the Inspector General. He was previously a senior officer assigned to Army Headquarters.

Three chiefs of central services have been assigned to the Industrial and Technological Study and Development Board. They are: Colonel Engineer Sarworo, chief of the Central Office for Scientific and Technological Study and Development. He had previously been chief of Service III in the Training and Development Center of the Department of Defense and Security. Col Engr K Karsono is now chief of the Resources and Infrastructure Study and Development Center. Col (Equipment Corps) Engr Eddie Soeharia is now chief of the Industrial Study and Development Center. He had previously been a personal staff officer to the chief of staff for administration in the Industrial Sector of the Department of Defense and Security. [Excerpts] [Jakarta KOMPAS in Indonesian 1 Dec 83 p 9] 5170

CSO: 4213/139

DEFENSE DEPARTMENT BUYS 16 CASA AIRCRAFT

Jakarta SINAR HARAPAN in Indonesian 30 Dec 83 p 1, 12

[Text] Jakarta, 30 Dec 83--DEPHANKAM [Department of Defense and Security] today signed a contract with PT Nurtanio [Nurtanio Ltd] for the purchase of CASA [Construcciones Aeronauticas SA] C-212 Series 200 aircraft. The agreement was signed at the department on Merdeka Barat by MENHANKAM [Minister of Defense and Security] Poniman and Prof Dr Habibie.

The contract stipulates that HANKAM will buy 16 CASA aircraft, with spare parts, and will obtain training for crew members at a price exceeding \$68 million.

The army and navy will receive four each of the planes, and the air force will receive eight. Deliveries will be in phases and will be completed by the end of 1984. Spare parts will be delivered no later than 21 months following agreement on a parts lists by both parties.

Minister Poniman stated in his remarks that this is an important event in the development of national defense and security, since it is a transaction in which a domestic industry fulfills ABRI [Indonesian Armed Forces] requirements for procurement of high technology aircraft.

He said that DEPHANKAM/ABRI fully supports expansion of PT Nurtanio, which has the confidence of the government in expediting the transfer of technology at the mastery level, so needed by Indonesia in order to "take off" into REPELITA [5-year development plan] IV.

Signing of the contract was witnessed by ABRI commander Gen L. B. Murdani, high officials of HANKAM/ABRI and PT Nurtanio, and other guests.

6942  
CSO: 4213/133

VODK URGES CONTINUED PRESSURE AGAINST VIETNAM

BK110615 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
10 Mar 84

[Station commentary: "It Is Necessary for the World To Continue To Firmly Pressure the Hanoi Vietnamese Enemy Aggressors, Combining With the Kampuchean People's Struggle on the Battlefield, Until They Withdraw All Their Aggressor Troops From Kampuchea in Accordance With the UN General Assembly Resolutions"]

[Text] As Nguyen Co Thach is ready to pay a visit in Southeast Asia and Oceania to mislead everyone into accepting the Vietnamese aggression in Kampuchea as a fait accompli and to divide the international forces assisting and supporting the Kampuchean people's struggle against the Vietnamese enemy aggressors for national liberation and the survival of the Kampuchean nation and the Hanoi Vietnamese enemy's propaganda machine has cheaply accused others of the crimes they themselves have committed. The Vietnamese enemy aggressors have committed many crimes in their war of aggression in Kampuchea. They have destroyed peace and stability in the Thai-Kampuchean border region and Southeast Asia.

The Hanoi Vietnamese enemy aggressors have savagely and arrogantly threatened everyone that they will continue to occupy Kampuchea with hundreds of thousands of their aggressor soldiers as long as there is no stability on the Kampuchean-Thai border. This is a trick of a thief crying stop thief. Who has destroyed peace in the Thai-Kampuchean border region and Southeast Asia? No one other than the Le Duan Vietnamese enemy has destroyed peace and stability in the Kampuchean-Thai border region and Southeast Asia. Over the past 5 years, Southeast Asian peoples, as well as other peoples in the world, have clearly realized the real events occurring in Kampuchea and the Thai-Kampuchean border areas. The fact is that the Hanoi Vietnamese enemy aggressors sent hundreds of thousands of their soldiers to attack and occupy Kampuchea, an independent and sovereign state. The Vietnamese troops, who have occupied Kampuchea and savagely and barbarously massacred the Kampuchean people and committed genocide against the Kampuchean race with each passing day, have made provocations and violated the Thai territory. They have unceasingly shelled the Thai border region, killing Thai inhabitants and destroying their belongings. They have repeatedly attacked Thai border guards. Hundreds of thousands of Kampuchean refugees have fled from their villages leaving behind their houses, ricefields,

and farmlands and are settled in the Kampuchean-Thai border region. This has been caused by the war of aggression and race extermination staged by the Le Duan Vietnamese enemy aggressors in Kampuchea. This is the real cause of the permanent tension in the Thai-Kampuchean border areas.

The Vietnamese aggression in Kampuchea has also threatened security and stability throughout Southeast Asia. The Le Duan Vietnamese enemy aggressors have destroyed peace in the Thai Kampuchean border regions and in the whole of Southeast Asia. They cannot accuse others of the crimes they themselves have committed.

The restoration of peace in Kampuchea depends on the withdrawal of Vietnamese aggressor troops from Kampuchea in accordance with the UN General Assembly resolutions. The restoration of peace and stability in the Thai-Kampuchean border regions and throughout Southeast Asia also depends on whether the Vietnamese withdraw all their aggressor troops from Kampuchea. Only when the Le Duan Vietnamese enemy aggressors unconditionally withdraw all their aggressor forces from Kampuchea in accordance with the UN General Assembly resolutions can peace be restored in Kampuchea and along the Kampuchean-Thai border and the danger of war spreading to other parts of Southeast Asia be ended. The Le Duan Vietnamese enemy aggressors must unconditionally and completely withdraw their aggressor troops from Kampuchea. They must respect the sovereignty and territorial integrity of Kampuchea and the Kampuchean people's right to self-determination without any external interference. This is a question of principle which cannot be bargained or negotiated. This is the resolution adopted in the past five sessions of the UN General Assembly. This is also a vital issue concerning the neighboring countries of Kampuchea.

If the Le Duan Vietnamese enemy aggressors do not want to completely withdraw their aggressor troops from Kampuchea in accordance with the UN General Assembly and stubbornly continue to wage their war of aggression and genocide against the Kampuchean race and are making every effort to stage their tricky and deceitful maneuvers to mislead everyone, the Kampuchean people are obliged to vigorously continue their struggle against them. The Kampuchean people are compelled to inflict more serious defeats on the Vietnamese enemy aggressors until they are forced to leave Kampuchea. All peoples and countries in the region, as well as all peace-, justice-, and independence-loving peoples in the world will continue to actively and firmly support and assist the Kampuchean people's struggle. Concurrently, they will continue to pressure the Vietnamese enemy aggressors politically, diplomatically, and economically.

As long as the Kampuchean people unite with one another shoulder to shoulder and continue their tough struggle by firmly standing on the declaration of the formation of the CGDK, combining with the firm assistance and support of the international forces, the Le Duan Vietnamese enemy aggressors will be definitely and shamefully defeated at the end as were the aggressors in the old times. The Kampuchean people will certainly win this struggle for the defense and the survival of their nation, territory, and race.

## KAMPUCHEA

### VODK PREDICTS FAILURE FOR NGUYEN CO THACH TRIP

BK120747 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
11 Mar 84

[Station commentary: "Southeast Asian peoples know very well the deceitful and tricky nature of Nguyen Co Thach, the sly, savage, and barbarous chief diplomat of the Le Duan Vietnamese enemy aggressors, expansionists, swallows of Kampuchean territory, and exterminators of the Kampuchean race"]

[Text] When he arrived in Bangkok on his way to visit and stage diplomatic maneuvers in Southeast Asia and Oceania, Nguyen Co Thach stated that it is time to hold dialogues to peacefully resolve the Kampuchean problem. He added that the ASEAN countries must make concessions and compromise with Vietnam on the Kampuchean problem. The peoples of Southeast Asia, as well as the peoples of all peace- and justice-loving countries in the world, have clearly realized the deceitful and tricky nature of Nguyen Co Thach, the sly, savage, and barbarous chief diplomat of the Le Duan Vietnamese enemy aggressors, expansionists, swallows of Kampuchean territory, and exterminators of the Kampuchean race.

This sly chief diplomat, whose hands and mouth are stained with the fresh blood of the Kampuchean people, does not have any good will to restore peace in Kampuchea. He does not want to see an independent and sovereign Kampuchea. He does not want to let the Kampuchean people determine their own destiny by themselves. The Vietnamese enemy aggressors will not abandon their aggressive and expansionist policy because it is their strategic and long-standing policy toward Kampuchea and Southeast Asia. The Vietnamese enemy want to exterminate the Kampuchean race, swallow the Kampuchean territory, include it into Vietnam, and set up an Indochina Federation. The Vietnamese enemy aggressors will use this Indochina Federation as a springboard for them and their Soviet boss to continue their aggression and expansion into Southeast Asia.

The Hanoi Vietnamese enemy aggressors have sent Nguyen Co Thach to visit and stage diplomatic maneuvers in Southeast Asia and Oceania at this time because they are in an impasse on the battlefield of aggression in Kampuchea. Although they have made every effort with all their military means over the past 5 years they cannot swallow Kampuchea. Not only are they not able to swallow Kampuchea but they are being strongly attacked everywhere throughout the country by the Kampuchean people, the national army, and guerrillas of Democratic Kampuchea. The Vietnamese enemy aggressors are defeated, seriously bogged down on the Kampuchean battlefield, and are sliding downhill toward the final defeat. It is

in these circumstance--where the Vietnamese have many more difficulties, are in a difficult impasse, and cannot extricate themselves from this impasse--that Nguyen Co Thach is paying this present visit to dupe everybody and divide the international forces assisting and supporting the Kampuchean people's struggle. This is an attempt to delay their defeat on the battlefield so that they have breathing space, restore their difficult situation, and continue to occupy Kampuchea. This is the real goal of Nguyen Co Thach's visit.

Why didn't the Vietnamese enemy aggressors implement the UN General Assembly resolutions by immediately withdrawing all their aggressor troops from Kampuchea if they really wanted to correctly and justly solve the Kampuchean problem? Since 1979, the UN General Assembly has successively adopted resolutions and raised well-defined and reasonable principles to peacefully resolve the Kampuchean problem. Why didn't the Vietnamese enemy aggressors implement these UN General Assembly resolutions? Later on, the United Nations convened an International Conference on Kampuchea to peacefully resolve the Kampuchean problem. Why didn't the Vietnamese enemy aggressors attend this conference? By examining these questions, we can see clearly that the Hanoi Vietnamese enemy aggressors do not have any good will to resolve the Kampuchean problem. All of their propositions are tricks and maneuvers to cheat world opinion. These proposals are aimed at clearing themselves from the world's accusations. The Vietnamese enemy aggressors have been accused by the world for their aggression in Kampuchea. These propositions are also aimed at transforming the Vietnamese enemy aggressors into peace seekers so as to alleviate the international community's pressure. The international community has joined hands to firmly pressure the Vietnamese enemy aggressors to unconditionally withdraw all their aggressor troops from Kampuchea in conformity with the UN General Assembly resolutions so that the Kampuchean people can determine their own destiny without any outside interference. Therefore, nobody is naive enough to abandon the principles, the past five UN General Assembly resolutions, and to follow the deceitful and poisonous tricky maneuvers of the Hanoi Vietnamese enemy aggressors' sly chief diplomat. Nobody is naive enough to present any concessions or compromises to the aggressors because doing so is to recognize the results of the aggression as a fait accompli. Furthermore, the solution of the Kampuchean problem by not standing on the principles and favoring the Vietnamese enemy aggressors' demands will be a bad precedent which will seriously endanger peace and stability in Southeast Asia and the world. Therefore, this present diplomatic maneuver of Nguyen Co Thach will be shamefully defeated as in the past.

Peoples and countries in the region, as well as all peace-, justice-, and independence-loving countries and peoples in the world, will continue to firmly stand on the principle of international law and the UN General Assembly resolutions on Kampuchea by calling on the Vietnamese enemy aggressors to unconditionally withdraw all their aggressor troops from Kampuchea. These peoples and countries will continue to join hands to firmly and persistently pressure the Vietnamese enemy aggressors with all their means, without any compromise and tolerance toward the aggressors, until they unconditionally withdraw all their aggressor troops from Kampuchea in accordance with the UN General Assembly resolutions and let the Kampuchean people exercise their sacred right to determine their own future destiny and that of their country and nation without any external interference.

## KAMPUCHEA

### REPORT ON AGRICULTURAL DEVELOPMENTS 5-11 MARCH

BK120948 [Editorial Report] Kampuchean media monitored by Bangkok Bureau carried the following agricultural developments during the reporting period 5-11 March:

Battambang Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 6 March said that peasants in Ratanamondol District had sold over 150 metric tons of paddy to the state by early February. SPK in English at 1102 GMT on 11 March reported that "by mid-February peasants at Phnum Srok District, Battambang Province, had harvested monsoon rice on 8,574 hectares, or 70 percent of the plan, and sold 423 tons of surplus rice to the state."

Kampot Province: According to Phnom Penh Radio at 0430 GMT on 5 March, by the end of January, women of Banteay Meas District contributed to planting 27,200 hectares of rainy-season rice, growing 300 hectares of intensive-cropping rice, and selling 5 metric tons of paddy to the state.

Koh Kong Province: SPK in English at 1100 GMT on 10 March said that "peasants in Koh Kong Province, despite severe drought and shortage of draught animals, managed to put 7,840 hectares under rice in the last monsoon season, an increase of 260 hectares compared with the same season in 1982. They also planted thousands of hectares of industrial and subsidiary food crops. Besides, they have reclaimed more than 570 hectares of wasteland and built or repaired three sluice gates, one dam, and 15,500 meters of dike. The number of domestic animals now increases to 6,150 head of cattle, 4,950 pigs, and 35,000 fowl. Last year the provincial veterinary service vaccinated nearly 6,000 cattle and 3,400 pigs against epizootic diseases."

Kampong Cham Province: According to a Phnom Penh radio broadcast at 0430 GMT on 5 March, from November 1983 to early February, the provincial trade service purchased over 16,000 metric tons of paddy from the peasants. Phnom Penh SPK in French at 0445 GMT on 5 March reported that of the targeted 4,000 metric tons of paddy, Ponhea Krek District has sold more than 3,000 to the state. At 0430 GMT on 8 March the national radio reported that peasants in Dambe District had harvested all rice crops with a total yield of more than 10,000 metric tons. By mid-February, they had sold over 1,000 metric tons of surplus paddy to the state as well as over 200 metric tons of corn, beans, and sesame. They have also reclaimed over 1,500 hectares of waste land. At 1100 GMT on the same day, the

radio reported that the trade service in Ponhea Krek District had purchased over 3,400 metric tons of paddy from the peasants by the end of February. In another report broadcast at 1300 GMT on 11 March, the radio said that 15,200 hectares of rice have been harvested in Prey Chhor District with an average yield of 1.5 metric tons per hectare. It added that by February, 1,200 metric tons of surplus paddy had been sold to the state. Phnom Penh Radio at 1300 GMT on 5 March said that in Cheung Prey District so far 24,000 hectares of rainy season rice have been harvested with an average yield of over 1 metric ton per hectare; over 24,000 metric tons of surplus rice have been sold to the state, and over 2,000 hectares of dry season rice have been transplanted. The radio at 1300 GMT on 6 March said that the trade service in Memot District purchased over 5,300 metric tons of paddy from the peasants between mid-January and mid-February.

Kompong Chhnang Province: SPK in French at 0445 GMT on 5 March reported that Baribo District had sold 1,300 metric tons of paddy, or 53 percent of the plan, to the state by the end of February. SPK in French at 0449 GMT on 5 March said that peasants of Kompong Leng District had sown 265 hectares and transplanted nearly 130 hectares of rice by mid-February. At the same time, they intensified the harvest of more than 200 hectares of the 4-B strain, which produces an average yield of 3 metric tons per hectare, and sold 26,080 metric tons of paddy to the state, or 1,080 metric tons above plan. Phnom Penh Domestic Service at 1100 GMT on 7 March reported that by early March the peasants of Kompong Chhnang Province had transplanted more than 2,300 hectares of dry-season rice, including 1,300 hectares of the IR-36 strain. At 0430 GMT on 8 March, the radio said that peasants in Rolea P'ier District transplanted almost 40 hectares of dry-season rice, including some high-yielding IR-36 rice strain, and planted more than 340 hectares of industrial and subsidiary food crops during February. In a report broadcast at 1100 GMT on 8 March, the national radio said that Kompong Chhnang Province has caught about 4,000 metric tons of fish so far. SPK in French at 0412 GMT on 9 March said that the peasants of Rolea P'ier District have completed the harvest of nearly 12,000 hectares of monsoon season rice. According to Phnom Penh Domestic Service at 0430 GMT on 9 March, this year, the peasants of Kompong Leng District have harvested more than 54,000 hectares of rainy season rice and, by the end of February, they had transplanted 665 hectares of dry season rice and planted over 2,000 hectares of industrial and subsidiary food crops. Phnom Penh Domestic Service at 1300 GMT on 9 March reported that 9,000 hectares of rice have been harvested and over 100 hectares of dry season rice, including 93 hectares of IR-36 rice, transplanted in Kompong Chhnang Province.

Kompong Som City: According to Phnom Penh Radio at 1300 GMT on 9 March, the people of Kompong Som City have sold 1,700 metric tons of paddy to the state. Phnom Penh SPK in French at 0402 GMT on 11 March said that peasants of Kompong Som City have completed harvest on 9,566 hectares of rice of the main season. In addition to 340 metric tons of shrimps, the fishermen have caught more than 1,485 metric tons of fish, or twice that of 1982.

Kompong Speu Province: Phnom Penh SPK in English at 1102 GMT on 11 March said that "by the end of last month, peasants of Samraong Tong District, Kompong Speu Province, had harvested 15,823 hectares of monsoon rice with an average output of 1 ton per hectare. They also completed gathering 650 hectares of

maize, beans, cassava, sugarcane, and vegetables. The population sold the state 4,090 tons of surplus paddy. In the current secondary rice season, the district plans to cultivate 700 hectares."

Kompong Thom Province: Phnom Penh Radio at 0430 GMT on 5 March reported that peasants in Kompong Svay District had sold over 2,000 metric tons of paddy to the state by the end of January. The radio at 0430 GMT on 6 March reported that up to the end of January, the peasants in Baray District had sold over 3,500 metric tons of paddy to the state. SPK in French at 0412 GMT on 9 March said by 20 February, the first 600 hectares of dry season rice and 660 hectares of other subsidiary food crops had been planted in Kompong Thom Province. According to Phnom Penh Domestic Service at 0430 GMT on 7 March, peasants in Kompong Thom Province had sold nearly 28,000 metric tons of surplus paddy to the state by February.

Pursat Province: SPK in English at 1102 GMT on 11 March noted that "Kandieng District has harvested on 8,000 hectares, or two-thirds of the total area under monsoon rice, with an average output of 1.5 tons per hectare. Last month, the population sold the state 2,865 tons of surplus paddy. Animal husbandry in the district has increased with 6,100 water buffaloes and thousands of pigs. The local veterinary service recently inoculated 3,100 water buffaloes against epizootic diseases. While Bakan District increased its monsoon-rice cropping by 2,000 hectares to 32,110 hectares, the district has so far reaped about 80 percent of the area."

Prey Veng Province: SPK in French at 0445 GMT on 5 March reported that Prey Veng Province had sold 4,080 metric tons of paddy to the state by the end of February.

Siem Reap-Oddar Meanchey Province: SPK in French at 0445 GMT on 5 March noted that the peasants of this province had sold more than 13,000 metric tons of paddy, or 54 percent of plan, 800 metric tons of beans; 500 metric tons of dried fish; and a large quantity of lotus seeds to the state. Phnom Penh radio at 1100 GMT on 7 March reported that the peasants of this province had sold 1,200 metric tons of paddy to the state by February.

Stung Treng Province: In a statement made to a Phnom Penh Radio correspondent and broadcast at 0430 GMT on 10 March, the chief of the provincial planning section said that a total of 400 hectares of land had been reclaimed in Siem Pang District, a total of 9,644 hectares of land was put under cultivation in 1983, and each inhabitant receives an average of 291 kg of rice per year.

Takeo Province: SPK in French at 0412 GMT on 9 March reported that 20 percent of the restoration work on the Khpop Trabek reservoir capable of watering 2,200 hectares of ricefields has been completed. SPK in French at 0405 GMT on 11 March reported that peasants of this province have cultivated a total of 32,400 hectares of dry season rice, including 11,260 hectares of intensive-cropping rice, and have planted nearly 2,200 hectares of subsidiary crops. During the recent rainy season, the people of Takeo Province planted 135,150

hectares of crops, exceeding plan by 2,150 hectares. So far, they have sold the state 9,480 metric tons of paddy. During the harvest, they also reclaimed 8,000 hectares of wasteland. The fishermen of the province have caught 168 metric tons of fish this year. SPK in English at 1102 GMT on 11 March reported that peasants at Tram Kak District "have fulfilled the monsoon rice harvest on 19,000 hectares and sold 1,000 tons of surplus rice to the state."

CSO: 4212/36

## PRK-THAI BORDER VISITED; SOLDIERS INTERVIEWED

PM061050 Moscow PRAVDA in Russian 29 Feb 84 First Edition p 4

[Own correspondent Ye. Fadayev dispatch: "In the Foothills of the Dangrek; A Reportage From the Kampuchean Border"]

[Text] Phnom Penh -- It was so quiet that you could hear the swarms of night midges hitting the glass of the lamp which cast a dim light around the bamboo shack. We were about to spend the night 3 km from the Kampuchean-Thai border in Siemreap Province. These parts, and also the neighboring Battambang and Preah Vihear are mentioned most frequently in reports about armed provocations against People's Kampuchea.

A few months ago the Kampuchean Armed Forces carried out a series of successful operations to comb the jungles and eliminated the last nests of the anti-people rabble. The surviving bandits sought refuge on Thai territory, where they are being maintained by the forces of international reaction and primarily the United States, which are trying in every way to prevent normalization of the border situation. CIA "specialists" are helping to set up so-called refugee camps.

Having set out from the small Kampuchean border city of Sampong along Highway 68, our jeep left clouds of pungent reddish dust in its wake as it approached the positions of the 5th Battalion of the Kampuchean People's Revolutionary Army. On both sides of the road charred tree stumps flashed past -- reminders of recent artillery and mortar fire from the Thai side, it was explained to me.

The village Khen Kriel... The panorama of the Dangrek mountain range opened up before us. These parts are not easily accessible. It was there that the bandits were hiding. I was at the former "base" of O Smach which was at one time widely publicized as the headquarters of Sihanoukborei or "Sihanouk center". I talked to (Srey Khyen), the battalion's deputy commander. He has been awarded a combat medal for his leadership in routing the bandits.

"This base was set up in accordance with a well rehearsed pattern," (Srey) recounted. "Near the border a place in the jungle was secretly cleared and some 2,000 'refugees' were driven in. They were ringed by armed guards -- so that nobody could escape. Then came an earth bank -- this was for their own security. And all this was surrounded by permanent fortifications and minefields...How long did the battle last? Some 4 hours, but the operation took several months to prepare. Hundreds of bandits were killed or taken prisoner, and arms and documents were captured. Many peaceful inhabitants were freed."

An operational map covered the wall of the command post. (Grum Sanyn), the 29-year-old commander of the division, outlined the situation in his sector of the border:

"After O'Smach and other bases were routed, the surviving bandits fled. Highway 68, along which you came here, continues across the Dangrek to the small city of (Tyan) on the Thai side, and then on the Surin, right up to the Burinam-Sisaket railroad spur. It is convenient for the Pol Pot men who are hiding on the other side of the border when obtaining arms, munitions, and provisions. To the left of the highway in the Thai province of Surin there is the encampment of a 'regiment' -- as they call it -- Pol Pot men; to the right the Sihanouk men are licking their wounds. Some 20 km further along is a camp of the 'Khmer Serei' grouping -- Son Sann's men.

All these different groupings of traitors are stationed in the border zone, but always at some distance from each other. The explanation is simple: Exchanges of fire, robberies, and bickering are the main attributes of 'unity.'"

I was given the opportunity to acquaint myself with captured trophies ranging from U.S. M-16 automatic rifles to counterfeit banknotes, from grenade launchers and mines to documents containing mutually exclusive "statements" and "decrees" by the groupings which make up the so-called "coalition."

A scrap of paper yellowed with age -- a Pol Pot leaflet: "Khmers, join our powerful forces!" A color photograph of their "official" ringleader Khieu Samphan in a transparent cover. On the reverse side there are blank spaces followed by "...is a member of the army of Mr Khieu Samphan, which wages the struggle against the aggressors." This card with the picture of the "gentleman" in the dark suit and tie is pressed on every frightened peasant. "You don't have to do anything," they say to him. "We will just enter your name here. When we return, you show us the pass, and nobody will touch you." And then reports are dispatched to various masters about the "growing" detachments of Pol Pot men.

Another leaflet featured a faded blotchy violet stain and crossed submachineguns in the margins -- it was a "Khmer Serei" "document." It said: "Esteemed brothers! To free our nation from the Pol Pot oppression, to prevent the return of his regime, you, brothers, must unite your forces with the National Front headed by Marshal Son Sann." In the same bundle was the following leaflet. It was secret circular 470 of the Pol Pot staff. It orders subordinates covertly and overtly "to undermine, harm, and annihilate the 'Khmer Serei' forces." To make it more convincing, several dozen comrades-in-arms were killed at the end of last year at a base near Preah Vihear. Correspondents of the Irish newspaper THE IRISH TIMES who visited a Pol Pot base in Thailand wrote that the long cultivation of blind terror had turned these men into a sect of brutal, callous obscurantists.

This is confirmed by a Pol Pot deserter who surrendered to the Kampuchean authorities. He is 24 and his name is (Chum Vong). Toward the end, he was at the (Bannangmut) base on the other side of the border, only a few kilometers from the spot where we talked to him.

"I became a 'Khmer Rouge' soldier in April 1975. I left my parents in a village near Phnom Penh. I have not seen them since. I do not know whether they are alive. There were eight more children in the family, my three elder brothers left at the same time as I did. I do not know where they are now. Perhaps they were killed, perhaps they are wondering about in the jungle, or perhaps they are back at home...Did I kill peaceful inhabitants? No, I didn't. I always guarded installations. Many people in the camp would like to return to their parents, wives, and children as soon as possible."

We returned from the border to Samraong. Bronze-faced peasants riding humpbacked oxen or small horses with shabby manes were going about their business. Ubiquitous hordes of children were begging to have their photograph taken as a souvenir. Right by the side of the road a brisk trade in tropical foods and household utensils was going on. Yet only a year ago this road was dangerous.

On the way I talked to local inhabitants in the villages of Khtum and (Pkhotu). The situation is calm here, bandits have not been sighted for a long time, and life proceeds normally. I recalled a recent AFP report from Bangkok.

"According to information from Thai military sources," it said, "Sihanouk's army has launched an attack 10-20 km deep into Kampuchea in Siem Reap Province." The dates and district mentioned in the report applied to precisely this area.

On the last evening before my departure from the western border I briefly interviewed the chief of the Kampuchean People's Revolutionary Army Main Political Directorate, (Meas Krouch). He had come to present a combat order to the division, which had been rated the best in the Kampuchean Armed Forces according to the 1983 results. There are now five motherland awards on its scarlet banner.

"The Khmer reactionaries now have not an inch of Kampuchean territory left to control," my interviewee said. "I want to note especially that our people repel the traitors only on their own territory, if these traitors try to penetrate it. The combat and political training of the PRK Armed Forces has improved of late. This success and the achievements in rebuilding the country played a considerable part in the fact that Kampuchea and Vietnam deemed it possible to reduce the contingent of Vietnamese volunteers. The tasks in the defense of the fatherland in the places which they have left have been confidently assumed by the Kampuchean People's Revolutionary Army...."

"Reactionary grouping abroad are continuing to lose potential reserves, and their remaining men are demoralized," Meas Krouch went on. "According to incomplete date, more than 1,000 former Pol Pot and Sihanouk men surrendered to the legitimate authorities during the second half of last year. Together with them some 4,000 refugees who had been forced to live in the special camps on Thai territory returned home."

"What can you say about the so-called 'Coalition Government'?" I asked.

"It consists of puppets who are trying to create an impression of bogus unity. Afraid that the 'alliance,' which is torn apart by bickering and insoluble contradictions is about to collapse, the forces backing it recently organized a meeting of their leaders. The statement they issued to the effect that the differences have been settled is empty talk. It is no secret that the main role in the 'Coalition' is played by the remnants of the Pol Pot butchers, who were condemned by a revolutionary tribunal of the Kampuchean people in 1979. Any assistance to them is an outrageous mockery of the memory of the 3 million people who died at their hands. It is also beyond doubt that in supporting Khmer reactionaries of every stripe and maintaining instability on the Kampuchean-Thai border, the enemies of the Kampuchean people are also pursuing another aim--to block the trend toward dialogue between Kampuchea, Vietnam, and Laos and the ASEAN countries in the interests of establishing a zone of peace and good-neighborliness in Southeast Asia."

CSO: 1807/139

CLANDESTINE RADIOS REPORT BATTLEFIELD ACTIVITY

SRV Position 'Completely Liberated'

BK100707 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
9 Mar 84

[Text] On 3 March, our national army and guerrillas attacked and completely liberated a Vietnamese company position in Soeur Commune, along the Mongkolborei River, Sisophon-South of Route 5 battlefield. We killed 5 Vietnamese soldiers and wounded 11 others for a total of 16 casualties. We destroyed a B-40, a B-41, an M-30, a radio receiver, 500 sacks of paddy and rice, and a quantity of military materiel. We seized 2,000 rounds of AK ammunition, 12 pairs of shoes, and a quantity of materiel.

Long live out valiant and courageous national army, guerrillas, and people on the Sisophon-South of Route 5 battlefield!

Two MOUNG Communes 'Liberated'

BK110215 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
10 Mar 84

[Text] On 4 March, our national army and guerrillas attacked and destroyed the Vietnamese enemy's offices in Chrey and Ta Loas communes, MOUNG battlefield. We killed or wounded a number of Vietnamese enemy aggressors. We destroyed two storehouses containing 4,600 sacks of paddy, two warehouses for military materiel, two Vietnamese enemy's offices, and a quantity of materiel. We seized a quantity of materiel. We liberated and completely occupied these two communes which contain the following 12 villages: Tuol Ampil, Tuol Snuol, Sdei, Chong Stoeng, Ta Loas, Chrey Ti Muoy, Chrey Ti Pi, Preah Pneou, Tuol Ta Thon, Angkrong, Don Krei, and Chong Sammay.

Long live our valiant and courageous national army, guerrillas, and people on the MOUNG battlefield!

### Thirteen Villages 'Liberated'

BK120615 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 11 Mar 84

[Text] On the night of 6 March, we attacked and swept the Vietnamese enemy along the Pheas River. As a result:

1. We liberated two Vietnamese platoon positions: one in Chrey Commune and the other at Trah bridge.
2. We liberated 13 villages: Khbal Khmaoch, Trang, Prek Totoeng, Kouk Dong, Svay Chrum, Koul, Thnung, Chrey, Trah, Kompong Kor, Kompong Kdei, Kompong Pou, and Stoeng Cheas.

We also killed five enemy soldiers and wounded eight others. We destroyed two commune offices, a warehouse, a paddy stock containing 10,000 sacks of paddy, and a ricemill with 5,000 sacks of rice.

We destroyed 10 barrels of gasoline, diesel, and kerosene.

We seized 3 AR-15's and 300 rounds of ammunition, 900 rounds of AK ammunition, 5 hand grenades, 5 hammocks, and a quantity of war materiel.

### Kompong Cham Office 'Liberated'

BK120628 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 11 Mar 84

[Text] On the night of 5 March, our national army and guerrillas attacked and liberated a Vietnamese administrative office at Sokong commune. After a 10-minute battle, we completely destroyed this office and also liberated Sokong Commune. We killed or wounded a number of Vietnamese enemy soldiers, destroyed a commune office and a number of documents, and seized an AR-15, 500 rounds of ammunition, and a quantity of materiel.

Long live our valiant and courageous national army, guerrillas, and people in Kang Meas District, Kompong Cham Province!

### SRV Battalion Position 'Liberated'

BK120641 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 11 Mar 84

[Text] On 6 March, our national army and guerrillas attacked and liberated a Vietnamese battalion position at (Say Saman). We killed four Vietnamese enemy soldiers and wounded three others for a total of seven casualties. We also seized a quantity of war materiel. We completely liberated and controlled this battalion position.

Long live our valiant and courageous national army, guerrillas, and people on the South Sisophon battlefield!

### SRV Troops Ambushed

BK150245 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
14 Mar 84

[Text] On 10 March, our national army and guerrillas ambushed a Vietnamese battalion moving from O Kang Lan to Ph'av, Anlung Veng District, Oddar Meanchey battlefield. We killed 45 Vietnamese enemy soldiers, including a battalion commander, 3 company commanders, and 5 platoon commanders. We destroyed a 60-mm mortar, an assortment of 15 weapons, 30 DK-82 shells, 50 DK-75 shells, 10 crates of 12.8-mm machinegun ammunition, and 40 bundles of goods. We seized a B-40 and a B-41 rocket launcher, a pistol, 23 AK's, 10 DK-82 shells, 15 DK-75 shells, 4 crates of 12.8-mm machinegun ammunition, 3,000 rounds of AK ammunition, 50 AK loaders, 30 bundles of goods, 35 pairs of shoes, and a quantity of military materiel.

Long live our valiant and courageous national army, guerrillas, and people in Anlung Veng District, Oddar Meanchey battlefield!

### Attack on Svay Sisophon

BK150150 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 14 Mar 84

[Text] On the night of 13 March, we launched a four-pronged attack against Svay Sisophon district town in Battambang Province. We destroyed and took complete control of this district town. We destroyed an ammunition depot, a 12.7-mm machinegun, a pistol, 20 trucks, and a quantity of ammunition and materiel. We seized 10 bicycles, 7 hammocks, 4 radios, 3 telephones, 700 meters of telephone wire, and a motorcycle.

CSO: 4212/36

## BRIEFS

KPRAF UNIT OPERATION--To provide protection for the people and ensure safety for them in their work, the 3d Company of "Khor" [fourth consonant of Khmer alphabet] Brigade has achieved encouraging results in its operations against the packs of starving wolves. Recently, a group of bandits of the 52d Company, 912th Brigade of the remnant Pol Pot forces, sneaked out of the jungle to loot the people's rice in Dong Peng village, a remote locality 12 km from the nearest position. However, they were intercepted by a small group of our company which duly punished them. After 3 hours of fighting, we completely controlled the battlefield. Before the bandits retreated, they left behind 28 bodies on the spot while 61 others were seriously injured. We also seized a number of weapons and documents. [Excerpt] [BK130656 Phnom Penh Domestic Service in Cambodian 1200 GMT 12 Mar 84]

CSO: 4212/36

LAO RIVER FORCES' FEATS OF ARMS PRAISED

Hanoi QUAN DOI NHAN DAN in Vietnamese 18 Jan 84 p 3

[Article by Van Huong: "35th Anniversary of the Establishment of the Lao People's Army (20 January) -- Strong and Confident on Rivers "]

[Text] Battalion leader Somsanith led us to the river port, where the combatants of Company 2 were fulfilling their regular combat task. Sitting in a small boat equipped with 2 12.7-mm guns, he told us the following:

"At the time the battalion was established, it had only more than 200 cadres and combatants and was equipped with only 3 old vessels that had been taken over from the French and 3 wooden junks. Although it was a river battalion, it operated less in water than on land. When a battle broke out on Donetam Island, only the three junks were usable; they carried eight people each. Boun Heung was the commander of the company. As the enemy was fiercely fighting back, with T-28 aircraft dropping bombs from the sky and boats and ground troops on the island fighting against the attackers, the battle lasted from 1000 hours all the way till 1300 hours, when the battalion hit and sank the No Po Kho vessel and made the enemy flee toward the Thai territory."

And now the battalion had dozens of vessels, large and small, and a body of commanders having a lot of experience in operating vessels. According to battalion leader Somsanith, Bounthavee was a captain who was typical of the boat-operating group as he would remember any river route he had taken even once, whether it was a long or short route and whether he had taken it in daytime or at night. But when I met Bounthavee myself, he modestly answered me: "That was a professional habit not only on my part but on the part of any other captain in the river battalion, who does have the same ability." He then recalled a story that occurred in the 1979-1980 period and recounted it to me: Once his boat was caught by an underwater rock formation and the steering cable was broken; he tried for a long time to put the broken parts together but to no avail. He had to use the nylon rope that was usually used to tie buffaloes and cattle to replace the steering cable. He mobilized all of his skill,

stretched his neck to reach above the hold to see more clearly and used his right leg to steer and to get the boat safely out of the rocks. Whenever he was doing patrolling work, he always ran his boat upstream and then turned off its engine and let the boat move downstream while he was observing enemy sabotage acts. Thanks to this experience, once he chased and caught a group of 35 reactionaries who were about to cross the river in their junk to get into Thailand to work for the enemy.

In the rainy seasons, as the enemy strengthened his activities, the task of the battalion became greater. To supply the units with grain and foods became more difficult with a shortage of nylon covers. Battalion leader Somsanith went to every company, saw all of its members and personally asked them to overcome the situation. The battalion worked both independently and in coordination with the local force of Hat Sai-fong District to urge the people to provide information about enemy activities. As it was doing good basic-level work, one of its components thwarted an enemy plot to carry out sabotage activities and killed many enemies. The battalion also coordinated its activities with an infantry company led by Sana in an ambush that killed five enemies.

The feats of arms scored by the battalion were a driving force behind the emulating efforts in the entire unit, with its members all trying to score outstanding achievements. Captain Boua Keo told me that he had been an infantry soldier in Champassak Province, had taken part in seven battles and had received a letter of commendation from the government praising him for his exploits against the enemy. In the 14 months he had been with the river battalion, he had taken part in 20 patrolling and transporting missions. During patrols he always took advantage of the opportunities to learn about, understand and use all of the weapons aboard, which ranged from AK and B-40 guns to the 12.8- and 14.5-mm guns. In a battle following the enemy capture of Moung Khong, he used a short cut to encounter the enemy, inflicted some casualties and captured many weapons. By now Boua Keo has become not only an outstanding gunner but also a very capable captain, who along with Bounthavee, Sai Som and others commanded their vessels strongly and confidently on rivers and waterways.

5598

CSO: 4209/182

FIRST NEW ZEALAND PARTY CONVENTION GRAPPLES WITH DEFENSE, ECONOMY

Defense Changes Debated

Christchurch THE PRESS in English 3 Mar 84 pp 1, 9

[Article by Michael Hannah]

[Text] Defense emerged as the most emotive and divisive issue of the first day of the New Zealand Party's inaugural conference in Wellington yesterday.

The debate reflected one of the enigmas of the party, as views covered the gamut of Right wing, conservative, Left wing, liberal, and centre. The kaleidoscope of views, at times allowing no common ground among delegates, gave a clue to the party's appeal to the estimated 364 voting delegates and 300 observers registered at the conference.

Delegates represented a protest against a status quo, characterised by a National Government which had been in power for eight years. The Prime Minister, Sir Robert Muldoon, regulations, and present Government policies were the only subjects at times unifying the conference.

The Labour Party barely figured in the calculations, as delegates reflected professional backgrounds reminiscent of National Party conferences.

The mood of the conference was enthusiastic, if a trifle dull in its early stages. It was well run, but a little light on remits, and light on debate until defence was raised. Missing were the detailed remits of National and Labour Party conferences, which flesh out long-held party policies.

Attendance was thin at the start of the day's proceedings, possibly between 350 and 400 delegates, short of the 650 that organisers said had registered. However, numbers are expected to rise today.

Delegates spent about three hours debating the party's defence policy after the party's spokesman and most prominent personality, Mr Bob Jones, moved a provocative remit radically amending the party's manifesto policy.

Mr Jones originally proposed that the present Armed Forces be disbanded and substituted by a "small, highly skilled, highly paid elite force" which would

carry out territorial surveillance and civil defence. He said that New Zealand should adopt a neutral stance and withdraw from all military pacts.

After an extensive debate, in which speakers initially found it difficult to find common ground, Mr Jones did a skilful job in unifying the conference to accept a policy which would mean a national referendum on whether New Zealand should withdraw from all present alliances, and a restructuring of the Armed Forces to form a highly skilled elite force.

A New Zealand Party Government would be bound by the result of the referendum on the one hand, while also gone from the original remit was the idea of a small force.

Several speakers suggested New Zealanders should be trained as a nation to act as a guerrilla force. Some argued that they would be "soldiers of peace," while others advised fellow delegates to opt out of the nuclear arms race.

However, the most divergent view came from the party's Remuera candidate and Auckland divisional chairman, Mr Ken Sandford, a former chairman of the Accident Compensation Corporation. Mr Sandford said he expected to lose both these jobs for expressing a view that was "swimming against the tide."

Mr Sandford decried those who thought there was no enemy, saying countries such as Britain, Hungary, and Afghanistan had thought the same before they were attacked by hostile forces.

He argued that the party had stood to lose "tens of thousands" of votes if it had persisted with the original proposal to disband the Armed Forces. Mr Jones later said he agreed the party would probably lose votes, but he advised delegates not to "sell out" to this view.

Mr Sandford believed the Armed Forces did need improving, but he strongly opposed any suggestion that New Zealand should withdraw from its alliances.

Mr Jones later replied that the party was justified in spending a long time on debating the issue as it was a "big issue," and there was a "mood in the country." He told delegates they should be bold--New Zealand was ready for a change.

He said that the Soviet Embassy had asked him whether a reporter from "Pravda" could interview him. Mr Jones said he had gone further and invited the reporter to a public meeting, where he would test public feeling on defence by a show of hands. The reporter was due in New Zealand in April, and Mr Jones said he hoped the United States would show similar interest.

The conference was told earlier that public meetings at Blenheim, attended by Air Force personnel, and at Pakuranga and Papatoetoe had shown 98 per cent of those present supported the proposition that the Armed Forces be wiped out.

A remit that the status quo remain, and that New Zealand stay in its present alliances, was lost.

In his address to delegates, moving his original remit, Mr Jones told them that New Zealand wasted \$700M a year on defence, training people to fight off non-existent enemies. He asked the conference to imagine what would be achieved by adding \$700M to the education budget, a point several speakers later supported, to the extent of arguing that defence should play a minor role until New Zealand achieved a surplus balance of payments and was "worth taking" by a foreign Power.

"Let us get our values right," Mr Jones said.

"Let us end for ever schoolteachers running cake stalls to keep State schools afloat.

"Let the Air Force run a cake stall the next time it wants a new fighter plane. I would like to see this conference be bold. I would like them to say, let us wipe out our Armed Forces."

He said he believed a highly trained force could be used for "real" defence needs--against earthquakes, floods and fires, and other natural and man-made disasters.

"A defence force that would move in and handle situations like the recent Southland floods, would carry out territorial waters surveillance duties, fisheries protection, search and rescue, and a host of other similar duties.

"It won't cost \$700M a year; it won't need 25,000 people," he said.

### Strong Philosophical Differences

Auckland THE NEW ZEALAND HERALD in English 5 Mar 84 p 3

[Article by G. G. Shand]

[Text] The champagne flowed amid a bombardment of popping white and blue balloons, trumpets and ticker tape, as New Zealand Party delegates wound up their inaugural conference in the Wellington Town Hall yesterday.

The drab and stuffy venue was about all that was familiar at this political conference.

The people and the procedures were all brand new.

Only in the New Zealand Party could someone who came to the capital just to have a look finish up elected to high office (the Deputy Mayor of Hamilton, Margaret Evans, one of three choices for the New Zealand Council)).

## Discussions

Only in the New Zealand Party is a leader formally "ratified"--while privately telling everyone how reluctant he is to have the post.

Only in the New Zealand Party do delegates spend all their time in business-like discussions inside the hall, no matter the topics or the tedium, shunning the closed coterie, the behind-the-scenes intrigue.

But this party has no wish to emulate the political establishment.

The dominant mood throughout the three days was one of desire for complete change in government--for freedom without regulations.

That recipe brought together a diverse range of people--doctors, lawyers, academics, big and small businessmen and women, civil servants, farmers, social workers, soldiers.

There was Mr Gordon Dryden, the former talk-back host from Auckland; Mr Ronald Jorgenson, the man convicted of the Basset Rd machinegun murders; Mrs Estelle Myers, the promoter of underwater birth; Mr Mike Bungay, the criminal lawyer; and Mr Timothy Plummer, the chairman of the meat and wool section of Federated Farmers.

Even the Maori activist, Mr Dun Mihaka, came to observe (only to be unceremoniously kicked off the stage after an uninvited intrusion).

In the end, however, it was a relatively smooth-running affair and delegates had plenty of reason to toast their success.

A conference run by a six-month-old party could easily have degenerated into a fiasco but, thanks to a refreshingly open approach to debate, for the most part, reasoned and intelligent speeches, the New Zealand Party stamped itself as a political force to be reckoned with.

Many of the candidates were particularly impressive and should help to lessen the image of the one-man-band Bob Jones Party.

But there are still plenty of problems to overcome, not the least on the policy front. If the aim was to flesh out policy, some of it still looks pretty ragged.

Some issues were ducked, like the contentious proposal to end the family benefit, while others were sent on to policy committees for further studies.

The most pressing need will be to present a coherent economic policy come election time.

The debate over the extent of Government involvement in the economy on Saturday revealed strong philosophical differences which will not easily be reconciled.

On one side there is a right-wing element, which is happy to do away with all controls and content in the "survival of the fittest" mentality.

On the other, a strong liberal section which, while attracted to the party's defence and education stance, is not at ease with what it seems as hardline capitalism.

#### Difference

They are especially sensitive to the "greedy" label.

This difference came through in speech after speech with the liberals arguing that individual responsibility also means responsibility to the wider community, the weak as well as the strong.

A compromise was eventually reached but it was a wish-washy one, suggesting there was room for some degree of Government involvement in the marketplace.

#### Delegates Differ on Economy

Auckland THE NEW ZEALAND HERALD in English 5 Mar 84 p 5

[Text] New Zealand Party delegates found themselves embroiled in a confused argument on Saturday over the extent of Government involvement in the economy.

While the party's policies are all aimed at reducing Government intervention, delegates had difficulty deciding how far they should go.

At one stage during the day-long economic debate, party members rescinded a remit after being told by the party's economic adviser, Dr Ewan McCann, that they had "sold out."

The remit had called for a coherent policy for manufacturing to encourage the growth of industries where New Zealand had a special advantage.

#### Sole Determinant

But many delegates, including Dr McCann, said this virtually amounted to continuing with present policies of industry assistance.

The delegates also rejected another remit which stipulated that the State should neither encourage nor discourage in commerce, and that market forces should be the sole determinant of all activity.

Many delegates criticised this remit as being too restrictive, and as inadequately representing party ideas.

Dr McCann, a senior lecturer in economics at Canterbury University, told delegates that, as its economic adviser, he considered the party had sold out by passing one remit, and rejecting a second.

"You have made an important section of the New Zealand Party policy virtually indistinguishable from the two parties you are trying to replace," he said.

Later in the day, the two delegates who proposed the somewhat contradictory remits, Mr Gordon Dryden (Tamaki) and Mrs Lois Bryson (Auckland), successfully moved a composite remit making provision for all points of view.

This said that a new Zealand Party government would "implement a coherent policy to encourage productive industries, both rural and urban, with particular emphasis on those based on indigenous raw materials, tourism and high technology."

It also stipulated that such a policy would "minimize Government involvement in economic activity and maximise market forces consistent with a free enterprise philosophy."

Earlier, Mr Dryden and Mrs Bryson reflected the two differing viewpoints.

#### Economic Miracle

Mr Dryden said New Zealand was in a real world, and governments could not leave everything to market forces.

Hong Kong was the only country without any trade barriers, he said, and in Japan the heart of the economic miracle had been encouragement for particular industries, such as the motor industry.

However, Mrs Bryson said that for reasons of economic freedom the Government should not intervene in the economy.

#### Party's Influence Analyzed

Wellington THE EVENING POST in English 6 Mar 84 p 4

[News Analysis by Tony Garnier under the "Weekwatch" rubric: "NZ Party Here for Foreseeable Future"]

[Text] National will be making a big mistake if it continues to dismiss the New Zealand Party as little more than a joke.

The new party's first annual conference at the weekend was obviously well organised.

Enough talent surfaced to show that it shouldn't be lightly dismissed as simply the "Bob Jones" party.

Despite the full house sign at early meetings of the party's leader, Mr Jones, the Prime Minister, Sir Robert Muldoon, has more than once dismissed the new party as "a hoax" and dubbed its members "the greedies."

Curiosity was dragging people along, it was claimed.

And although some Government MPs are said to have expressed concern at their first caucus at the number of defections from National's ranks to the New Zealand Party, others have agreed with Sir Robert.

Some have compared the rise of the new party with the Social Democrat Party of 1934-35. It too drew full houses just before the 1935 election, only for the then conservative prime minister G W Forbes to claim it was not a serious challenge to the government.

In the event, Mr Forbes was half right. Or, more appropriately, he was half wrong.

The Social Democrats, who, like the New Zealand Party, campaigned on the slogan of "more freedom," only polled about 62,000 votes and won no seats. However, the votes they took were widely attributed to have been enough to guarantee defeat of the Forbes Coalition and give a stunning victory to Labour.

Soon after the 1935 election, the Social Democrat Party was absorbed into the National Party of today, along with several of the other defeated conservative parties or MPs.

Will that be the fate of the New Zealand Party and Mr Jones in 1985?

With Labour already hot on the heels of National and needing just a couple more seats to become the Government, the possibility of history repeating itself exists.

It is obvious the New Zealand Party is acting like a weeping sore for the National Party.

Some National supporters have, half-heartedly, argued that the New Zealand Party would simply fade away before the election. Others have suggested there could be some sort of deal worked out with National.

But plainly such suggestions must be regarded as just whistling in the wind. The New Zealand Party is here for the foreseeable future that is until the next election.

It should also now be obvious that the party's astonishing rise in popularity is not all due to Mr Jones' charisma and entertainment value.

Much more than curiosity compelled the more than 400 delegates to come to Wellington for the conference. The common thread centred on the word "freedom" and a belief that National has lost its way in delivering it.

The question National must deal with as it approaches the election is no longer whether the New Zealand Party will erode support for the Government but how much will it take from it.

Other elements to put into the equation, and adding to the possibility of a parallel with the 1935 election result, include:

--Indications that Labour is getting its act together, although it still has some way to go to prove it had a cohesive team.

--Signs of a "time for a change" mood in the electorate, which is hardly surprising considering National has had three terms in office.

On the other hand, it may be as foolhardy for Labour supporters to believe the New Zealand Party will help a Labour victory, as National has been in believing the new party would simply be a passing phenomenon that would evaporate before the election.

An important part of the campaign will centre on leadership.

In recent times at least, New Zealanders have shown a liking for strong, combative leaders.

On recent evidence, the campaign could easily become a slogging match between Mr Jones and Sir Robert. Admittedly, Mr Lange was out of the country during the most recent round, but Labour and Social Credit could well be left at the ringside in such a pugilistic-styled election contest. Mr Jones is, let's not forget, a well known boxing commentator. He knows the art. And Sir Robert, the titleholder, won the prize through skilled counterpunching, and has retained it through two defences.

Opinion polls show National is now holding the same level of support it has had through the last two elections--about 40 percent of the vote.

That is, about 60 percent of the vote was divided among the opposition parties. At the last election it was divided up with 39 percent going to Labour and 21 percent to Social Credit.

The latest opinion poll had National at 40 percent, Labour at 38 percent, Social Credit 7 percent and the New Zealand Party at 15 percent.

Many intangible factors will be mised together to help determine the election result, but if leadership dominates as it has in the recent past, then that 40 percent support, "Rob's Mob," which has stuck with National through the thick and thin of recent elections may be the critical factor once again.

CSO: 4200/603

MULDOON WARY OF 'PACIFIC GRENADA'

Wellington THE EVENING POST in English 3 Mar 84 p 9

[Article by Hugh Nevill]

[Text] Austin (Texas), March 2.--New Zealand's aim in the South Pacific is to prevent the duplication in its "backyard" of "the sort of conditions which eventually brought chaos to Grenada," the Prime Minister, Sir Robert Muldoon, told the local foreign relations council in Austin yesterday.

The Prime Minister, speaking at the Lyndon Baines Johnson Memorial Library, compared New Zealand's strategy in the Pacific with President Reagan's approach to the Caribbean and, now, Central America.

"The political face of the South Pacific has been changed in a fundamental way by 20 years of decolonisation," he said.

"There are still a handful of colonial territories in the region but it is only a matter of time before they forge some form of self-government and join their independent neighbours."

The significance of the islands was their control over offshore extended economic zones, he said.

"These zones cover an awesome amount of water and it is water which has traditionally been sailed by the United States rather than any other superpower.

"We in New Zealand work very hard with US administrations--be they Democrat or Republican--to ensure that the US remains on close and friendly terms with these island nations."

The Prime Minister also touched on New Zealand's Middle East policy and his campaign for reform of the world's trade and payments system, emphasising the need for a return to "some discipline" on exchange rates.

Volatility in exchange rates, he said, was not explained by underlying economic difficulties.

Earlier, Sir Robert said his trip to New Orleans had convinced him that New Zealand should work with lobbyists for ports in the United States.

Mr Edward Reed, executive director and general manager of the Port of New Orleans, said he would like New Zealand to work with the ports lobby on New Zealand access to American markets, the Prime Minister reported.

"He said they'd be enthusiastic to help us on any of these issues where we come up against the cattlemen or the sheep people or whatever.

CSO: 4200/602

## NEW ZEALAND

### AIR FORCE VIEWS SALE OF AUSTRALIAN NAVY SKYHAWKS

Auckland THE NEW ZEALAND HERALD in English 27 Feb 84 p 1

[Text] Ten Skyhawk jet fighters from the Royal Australian Navy seem certain to be sold to the Royal New Zealand Air Force.

Talks in Wellington last week between officials from both countries were said to have resulted in Australia's lowering its price for the planes.

One report in Canberra was that the New Zealand Government might consider an eventual replacement of the Skyhawks with a squadron of F/A-18 Hornets of the type being introduced next year to the RAAF.

#### Strike Force

The report, published in the Canberra Times, said a New Zealand decision on the Hornets would be timed to allow their purchase from the Australian assembly lines which will turn out at least 73 aircraft to replace the RAAF ageing Mirages.

The Skyhawks were the chief striking force on the former Australian flagship, the aircraft carrier Melbourne.

They and other fixed-wing aircraft from the Navy's Fleet Air Arm have been sidelined after a Government decision to disband the section.

#### Reasonable

The RNZAF is known to be keen to obtain the two RAN dual-seat Skyhawk trainers.

But it was unable to proceed when Australia proposed a sales price, according to industry sources, of around \$A70 million for all of the planes and associated spares.

A reasonable market price was put at \$A 40 million

#### Considered

The Minister of Defence, Mr Thomson, is overseas for defence talks in South-east Asia and Australia.

However, a Ministry of Defence spokesman, Squadron Leader G. T. Clarke, confirmed that the Australian Skyhawks were among those aircraft to be considered.

He also confirmed that talks about the aircraft had been held in Wellington last week.

CSO: 4200/602

CER BENEFITS EXTEND TO JAPAN

Wellington THE EVENING POST in English 27 Feb 84 p 8

[Article by David Porter]

[Text] TOKYO.--The advent of the closer economic relationship between New Zealand and Australia must make investment in New Zealand start to look more attractive to Japanese investors, believes Mr Graham Ansell, New Zealand's Ambassador to Japan.

The advent of CER, which would mean the two countries becoming pretty well a free trade area within the 10 years, must make investment in New Zealand look more attractive, said Mr Ansell.

"The market they'll be looking at will be significantly expanded," he said.

"I think the Japanese find the general conditions for investment in New Zealand reasonably favourable.

"They attach a great amount of importance to stability," he said.

Proposal

And Japan was a market where the New Zealand Government had found it comparatively easy to raise money on both the yen and Euroyen markets.

"But what the Japanese need to have is a specific proposal which shows at the end of the day they're going to make money."

While the general conditions in New Zealand were quite attractive, the Japanese needed to be persuaded particular cases were right for joint venture or other forms of investment, said Mr Ansell.

Advantage

New Zealand's national policy was to maintain the vigour of its livestock industry while undertaking various forms of industrial and energy development to gradually diversify, the said.

"It suits us to be able to take advantage of our natural strengths and produce food to sell to the world but it's necessary with each of the products to look at the extent to which we can put on added value.

"My own feeling is that in many areas we will have to augment our own skill in partnership with the Japanese," he said.

There are many areas in which Japanese investors and New Zealand producers were already linked, said Mr Ansell, citing the Comalco aluminum joint venture with Japanese companies which now produced the biggest component in New Zealand exports to Japan.

#### Infusion

New Zealand's senior trade official in Japan, Mr Gerard Cheyne, also stressed New Zealand companies had to come up with specific investment proposals to attract Japanese investors.

Mr Cheyne said he was coming to the conclusion that because most New Zealand enterprises were small businesses they could benefit from the input of Japanese capital and expertise.

"Many of our smaller companies lack the knowhow to expand," he said.

"They could profit from an infusion of foreign skills, management, labour organisation and access to markets.

"And many Japanese companies could fulfill these requirements," said Mr Cheyne.

He said the Japanese companies which had become major investors overseas had tended to be, by Japanese standards, small to medium-sized concerns.

#### Dossier

Mr Cheyne said at the moment in New Zealand there were moves by trade officials to educate small businesses in the advantages they could obtain by bringing in foreign investment partners.

He said the long-term plan was to draw up a dossier of interested New Zealand companies for foreign-based trade officials to use in helping solicit investment proposals.

Because Japan was the most competitive country in the world when it came to seeking investment, it was necessary to precisely pitch any proposal, he said.

"You have to have something to offer."

CSO: 4200/602

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There are many areas in which Japanese investors and New Zealand producers were already linked, said Mr Ansell, citing the Comalco aluminum joint venture with Japanese companies which now produced the biggest component in New Zealand exports to Japan.

#### Infusion

New Zealand's senior trade official in Japan, Mr Gerard Cheyne, also stressed New Zealand companies had to come up with specific investment proposals to attract Japanese investors.

Mr Cheyne said he was coming to the conclusion that because most New Zealand enterprises were small businesses they could benefit from the input of Japanese capital and expertise.

"Many of our smaller companies lack the knowhow to expand," he said.

"They could profit from an infusion of foreign skills, management, labour organisation and access to markets.

"And many Japanese companies could fulfill these requirements," said Mr Cheyne.

He said the Japanese companies which had become major investors overseas had tended to be, by Japanese standards, small to medium-sized concerns.

#### Dossier

Mr Cheyne said at the moment in New Zealand there were moves by trade officials to educate small businesses in the advantages they could obtain by bringing in foreign investment partners.

He said the long-term plan was to draw up a dossier of interested New Zealand companies for foreign-based trade officials to use in helping solicit investment proposals.

Because Japan was the most competitive country in the world when it came to seeking investment, it was necessary to precisely pitch any proposal, he said.

"You have to have something to offer."

CSO: 4200/602

AUSTRALIAN, NEW ZEALAND LABOR PARTY NUCLEAR VISIT POLICIES ANALYZED

Auckland THE NEW ZEALAND HERALD in English 28 Feb 84 p 6

[Editorial: "Split on Nuclear Visits"]

[Text] The aircraft-carrier HMS Invincible, conventionally powered but suspected by some people of carrying nuclear weapons, left Auckland early in December for Sydney, where she hoped to get repairs for a damaged propeller-shaft bearing. But trouble blew up in Australia, and the ship was refused permission to dry-dock because the Royal Navy, refuses to say whether a ship carries nuclear weapons.

The Australian Government has apparently now sought to damp down the dispute by ruling that the Government will decide whether friendly naval ships can use drydock facilities. Requests, it says, will be considered on their merits, "taking into account technical and safety factors, and the strategic and operational circumstances obtaining at the times."

In setting the policy, the Australian Defence Minister, Mr Scholes, repeated the 1983 decision that the Government does not require allied governments to reveal whether their ships carry nuclear weapons and that Australia accepts the reasons for the British and American policy of neither confirming nor denying the presence of such weapons.

That decision, as was pointed out at the time, showed a complete difference of approach between Australian Labour and its New Zealand counterpart. New Zealand Labour's 1981 policy was to oppose visits by nuclear-powered and nuclear-weapon-carrying craft. The party conference in September last year reaffirmed existing Labour policy on nuclear issues.

In Washington five weeks ago Mr Lange told an audience that a Labour Government would allow visits by ships and aircraft only on the understanding that they were not nuclear-armed. Sir Robert Muldoon replied that such a position would make the Anzus relationship impossible. And Sir Robert made a point of emphasising in Washington last week that New Zealand remained a staunch ally, not a fair-weather friend.

Still, as the State Department surveys New Zealand, it must be struck by the fact that Labour and Social Credit both oppose nuclear-armed visits and that

the New Zealand Party would abandon Anzus. Only the National Party appears to support its Anzus allies to the extent of accepting, or possibly accepting, nuclear weapons in transit.

And the State Department may also wonder why New Zealand Labour and Australian Labour, which are philosophical cousins, take different stands on the nuclear issue. Could it, perhaps, be the quality of leadership. Or the difference between a party in opposition and one facing the realities and responsibilities of government?

CSO: 4200/602

LABOR PARTY'S LANGE VOWS TAX STRUCTURE OVERHAUL

Firm Restraint on Government Spending

Wellington THE EVENING POST in English 27 Feb 84 p 3

[Article by Tony Garnier]

[Text] A major overhaul of the taxation structure would be done by a Labour government, the Leader of the Opposition, Mr Lange, promised today.

The overhaul would be done "over time" and in such a way as to make the taxation system compatible with a Labour government's economic objectives, he said.

Mr Lange also promised firm restraint on government expenditure.

"Policies involving additional expenditure will only be introduced as funds become available.

"Like the Australian Labour Government, Labour in government here will be hard-headed but soft-hearted."

Mr Lange made the promises in a speech in which he signalled the countdown for release of Labour's detailed election promises with a broad statement of the party's long term aims.

"It is the year of judgment and we start pleading our brief next month," he said.

Each of the detailed policies would be integrated and have at the core Labour's economic package.

The first policy, trade and marketing, is due to be released next week.

Mr Lange told a Hamilton audience that quite simply, Labour's long-term aim in government would be to raise living standards.

He said to do that a Labour government must implement the policies that encouraged sustained non-inflationary growth, provided more employment opportunities, provided a better deal for lower and middle income households, and prompted community direction and purpose.

"I am not saying that significant progress on these objectives will be achieved overnight. We are aiming at a 3-5 year programme--the electorate permitting of course--based on a New Zealand shared commitment to recovery."

In effect, Mr Lange said a Labour government would provide "a new deal for all New Zealanders."

Referring to his recent extended overseas trip, he said countries he had visited which followed this approach and took hard decisions had done remarkably well: "Much better than us."

He said Labour's policies would be based on these objectives. "The detail will show how we will achieve them."

However, the combination of sound, strong, economic policies together with a social programme would be designed to procure a sustained and deliberate medium to long term recovery.

Mr Lange said the record showed nine years of short-term reflexive and "quick fix" action followed by the National Government had not worked.

A Labour government would emphasise not just specific economic policy details, but also leadership. "It is a question of leadership, of will, and of resolution to tackle New Zealand's problems."

A Labour government would act resolutely; first because it had no alternative--the scope for further increasing the overseas debt was narrowing rapidly.

More importantly, said Mr Lange, a Labour government would act resolutely because to fail to do so would be to betray Labour's basic principles.

Winning elections was not Labour's sole objective. "The Labour Party desires political power as a means of increasing jobs, achieving social justice and for greater harmony and over-all improving the quality of life of all New Zealanders," said Mr Lange.

#### Editorial Sees Limited Options

Auckland THE NEW ZEALAND HERALD in English 29 Feb 84 p 6

[Editorial: "Labour's Policy Theme"]

[Text] The Labour Party leader, Mr Lange, appears to have presented a theme for the times in a speech outlining his party's economic direction. There are, he says, no facile solutions to the country's economic problems; "short-term reflexive action" does not work; and neither does a quick-fix approach. Who would disagree?

Indeed, Mr Lange promises almost an austere approach with "very firm restraint on Government expenditure" and maybe, depending on the size of the budget and

balance of payments deficits, "some overall increase in public revenue" (presumably meaning tax increases). But the revenue side is apparently not over-emphasised, because Mr Lange says that while there is a large budget deficit there would be continuing large-scale overseas borrowing.

So what of the cures? "A real improvement in the position of our producers," says Mr Lange, "will permit a significant improvement in public finances-- as well as stimulating productive and job-creating investment."

Well, yes. But an improvement in the position of producers depends greatly on factors outside New Zealand's control, unless Mr Lange is talking about increased internal transfers such as export incentives or supplementary minimum prices, or a massive devaluation with draconian measures to prevent the benefits to producers from being eroded.

Mr Lange is rather short on detail, partly, perhaps, because of internal party disagreements and partly, no doubt, because the party would wish to hold back its main themes until after the budget. In the meantime, it may be recalled that in 1981 Labour offered "the biggest income tax cut in New Zealand's history" but rather spoiled the effect by declaring that the revenue would have to be made up in other ways, most notably a surcharge on foreign exchange.

Mr Lange speaks truly when he says that an incoming government will have limited policy options. Governments may change, but the problems they face are liable to be much the same; and while there may be some room to juggle the internal mix, the same old issues of uncontrollable overseas markets and prices will continue.

Voters in 1984 will do well to look sceptically at any parties that come bearing gifts, Mr Lange--so far--has managed to avoid such an impression. If he can keep it up as the electoral heat increases, he will be an unusual Opposition leader.

CSO: 4200/603

SOCIAL CREDIT LEADER BRANDS MULDOON TRIP 'FAILURE'

Christchurch THE PRESS in English 28 Feb 84 p 2

[Text] PA Wellington The Social Credit leader, Mr Beetham, yesterday called the Prime Minister's trip to Washington a failure.

"The American treatment of Sir Robert Muldoon is like that of an amused uncle indulging a petulant nephew," he said.

"The Prime Minister's visit to Washington must be counted a failure as far as the interests of New Zealand are concerned." He had failed to achieve anything he set out to do on his visit.

"The Reagan officials have listened with polite disinterest to Sir Robert's proposals for a new world economic conference.

"As a nation with the greatest interest in the present international financial order, the United States is hardly going to look with favour on any plan which might loosen their grip on the rest of the world," Mr Beetham said.

The Americans seemed prepared to tolerate the Prime Minister's utterances on the state of the world economy to preserve the A.N.Z.U.S. alliance.

But it was significant they had not taken any notice of New Zealand's opposition to their plans to sell dairy products to Jamaica, he said.

CSO: 4200/602

OIL STOCKPILES ADEQUATE IF PERSIAN GULF BLOCKED

Wellington THE EVENING POST in English 28 Feb 84 p 3

[Text] New Zealand is better placed than some countries to cope with Middle East fuel supplies being cut off by the escalation in the Iran-Iraq war.

New Zealand's stocks stand at between 90 and 100 days, close to the maximum and in line with international recommendations.

The Ministry of Energy's assistant director of liquid fuels, Mr Alan Jenkins, said today only about 22 percent of New Zealand's fuel needs were coming through the Straits of Hormuz.

Earlier this month, Iran threatened to close off the straits to oil tankers as renewed heavy fighting began. The threat has been taken seriously by the West.

Between 25 and 35 percent of New Zealand's fuel comes from Singapore and Australia as refined products. The rest comes from Indonesia as condensate, partly refined naphtha from Singapore and New Zealand's own wells.

Mr Jenkins said a closure of the straits would ripple through to world markets and oil prices could jump.

But unless the closure were prolonged it was not expected to have a major effect.

CSO: 4200/602

## TAXPAYERS SUBSIDIZE SHEEP, BEEF FARM INCOME

Wellington THE EVENING POST in English 29 Feb 84 p 3

[Text]

Taxpayers are paying the average sheep and beef farmer's entire net income.

New Zealand wage-earners will have paid an average \$12,100 to every sheep and beef farmer in the country, yet production, farmer incomes, and farm investment are dropping, according to the latest major review of New Zealand agriculture.

Our average farmer can expect a net income of only \$12,900 this year from a gross income of \$97,200 and an investment in property, stock and machinery of hundreds of thousands of dollars, according to the Agriculture Review Committee's "State of Agriculture 1983-84" report.

Supplementary minimum prices, introduced in 1978 — supposedly for just two years — have been and remain a vital medium for maintaining what the committee points out is still the backbone of the New Zealand economy.

While glamour industries such as horticulture were leading the move to higher-value products, meat, wool and milk would continue to be the staple of the New Zealand economy, according to the committee of top producer board and ministry officials.

"In the foreseeable future the bulk of country's export income will continue to be generated by

meat, wool and milk products," the committee says.

"It is therefore in the national interest that these industries remain viable, innovative and able to adapt to changing circumstances.

"Continued deterioration of incomes and investment will not help to achieve these ends," the committee says.

While smps were a very visible form of industry support, the committee stressed many other forms, such as taxation relief and import licensing, were less obvious and just as big a drain.

It was vital that agriculture, which provided 69 percent of New Zealand's export income, maintain levels of assistance commensurate with its importance to the national economy and efficiency.

In any change to export assistance, policymakers had to take into account areas such as the exchange rate, prices and incomes policies as well.

"Changes in assistance need to be carefully planned to avoid injury to internationally competitive industries, including those in agriculture, by premature or excessive reductions in assistance levels," the committee says.

The price freeze had given a major breakthrough for farmers, arresting costs, which had risen by 100 percent in the

previous five years.

"Erosion of the sector's competitive position has now been almost arrested," says the report.

Agriculture's status in the economy was clear: total exports for 1983-84 were expected to increase by 13 percent to \$8195 million. Agriculture earned 69 percent, or more than \$5600 million of that, and would maintain that percentage.

The outlook for New Zealand's three main produce areas (meat, wool, milk) were uncertain.

Beef and lamb prices were tipped to improve, but mutton would continue to be depressed. Wool was fetching higher prices and this seemed likely to continue.

Dairy returns were uncertain as the market laboured under large international stocks and poor market prices.

Horticulture continued to provide high growth rates, especially in traditional areas such as apples.

Smgs for meat were expected to reach \$235 million this year — up from \$174 million last year.

Wool smgs were forecast to be just \$60 million, down from \$176.7 million.

While meat producers' minimum prices would contribute around \$286 million, wool producers' minimum payouts were expected to be nil.

## PRIME MINISTER MODIFIES 'BRETTON WOODS' PROPOSALS

Christchurch THE PRESS in English 6 Mar 84 p 15

[Text]

The Prime Minister, Sir Robert Muldoon, has modified his "Bretton Woods" proposal to include the possibility that discussions, and final decisions, be undertaken at standard meetings of existing institutions.

In an interview with NZPA in Austin, Texas, after addresses to two meetings in which he appeared to exclude the possibility of a full-scale conference dedicated to reform of the world trade and payments system, Sir Robert said he still believed the process would have to end with such a conference "in some form."

In one address, to Texas bankers, Sir Robert said, "I don't think we are going to have a conference," and in another speech said that "we are past the point where we are talking precisely about that (a conference) now."

Sir Robert told NZPA afterwards that he may have "oversimplified" the issue in his speeches because he was trying to convey broad details in a very short time.

"It is very clear to me," he said "that it will be impossible to gain agreement to starting the process off with a major conference, but my belief is that the process will be difficult to conclude without a major conference."

Sir Robert has said fre-

quently that he believes the best way to start is with a committee modelled on the International Monetary Fund's interim committee, which has 22 members, major countries represented singly and smaller countries grouped together with one spokesman.

"Before you get finality there will have to be some other kind of conference," he said.

"I have not gone beyond that at this stage, because that conference is quite capable of being the annual meeting of the International Monetary Fund in respect of those items on the agenda that directly affect the fund, or a Ministerial meeting of G.A.T.T. (the General Agreement on Tariffs and Trade) in respect of those items which affect the G.A.T.T."

"That is where you will get your major conference, in my view. That has not been pursued far enough yet to be firm."

"What I don't think is on is to commence with a major conference. Some of the non-aligned nations still want to do it that way, but I don't think they have a chance."

The I.M.F.-World Bank annual meeting grouped some 145 to 150 countries, Sir Robert said, "and that is, in effect all the nations that would attend a new Bretton Woods conference, the same with G.A.T.T., although the membership of G.A.T.T. (is smaller)."

"If you get to the point

where there is not agreement in the committee process, the only way of solving that problem is by means of a plenary conference, and at that plenary conference you would either compromise on one of the options or alternatively you would say, 'We have made no agreement, therefore we can get no movement on that item'.

"That might apply to a thing like the substitution account, and I have said throughout that it must be realised that there are some items on the agenda where we may make no progress."

However, he said, "We have not discussed it in precise detail, but most of those I have talked to have thought of it in terms of a

full plenary conference at the end."

"That is still formally the position that is in front of us."

NZPA: You don't see the committee work also being done with the existing committees of the existing organisations?

Sir Robert: Yes, it is possible that we might split up the agenda and give some of it, say, to the interim committee, some of it to the development committee... But we are not at that point yet either.

The United Nations Conference on Trade and Development might become involved in the process too, Sir Robert said, "but that, I think, is less likely."

EDITORIAL DECRIES SCHEMES OF 'INSIDIOUS FORCES'

HK100331 Manila TIMES JOURNAL in English 9 Mar 84 p 4

[Editorial" Insidious Forces"]

[Text] The warning of President Marcos on insidious forces at work to abet civil strife in the country and to dismantle the government should not be taken lightly. These insidious forces have been at work in the country for a long time, since the end of World War II to be exact.

In the person of the communist Hukbalahaps, they attempted a takeover of government in the late 1940s. Fortunately the revolt was crushed after three years.

It would now appear that disgruntled politicians and some professionals would team up with the Communist Party of the Philippines [CPP] and its military arm, the New People's Army, to pose a new threat to the government. This is what Mr Marcos wants the people to understand: It is no witch hunt.

The big rally the other day which saw about 50,000 people from Northern and Southern Luzon gather at the Guirino grandstand at the Luneta to demand a general boycott of the May 14 election of the regular National Assembly left proof of the silent understanding between the two segments of society.

The island walls along Quezon Boulevard leading to Quiapo showed graffiti in red which read "Ibagsak ang U.S.-Marcos diktadura" (Down with the U.S.-Marcos dictatorship) and "Itayo ang mahalagang koalisyon" (Set up the all-important united front).

The propaganda items, along with "Rebolusyon, hindi eleksyon" (Revolution, not elections) are typical communist mouthings. The fine Italian hand of the CPP is behind these graffiti and those who are blindly led by them should think twice.

By calling for a united front, the potent and vigorous communists could work more effectively under a cloak of legitimacy. While the warring and many times fragmented opposition groups unite for the purpose of toppling a government, and are the majority group, their disunity almost always leads to their downfall.

Once in power, the different minority parties become easy picking for the solid and united communists who destroy them one by one through black propaganda, exposes and other means. At the same time, the communists demand such vital posts as the defense, propaganda and police services to give them the clout they need.

The "united front" is dissolved once the communists feel they are strong enough to muscle in and rid the coalition government of democratic-thinking leaders. This was done in Czechoslovakia in the late 1940s and is still in the process of completion in South Vietnam.

If the communist battled for freedom of speech, freedom of the press and freedom of religion when they were still a minority within the "united front," they suppress all these rights when they come to power for the sake of the "dictatorship of the people," whatever that means.

Rallies are taboo unless orchestrated by the communist state. Dissidents and free thinkers are sent to institutes where they are given a new thinking about the communist government--often times simple brainwashing, many times with drugs.

While the Philippine system of government may have its shortcomings, it certainly is far better than what the communists intend to set up. No one will ever know nor has anyone ever known the internal corruption within the communist hierarchy. In the Philippines, citizens can still damn the government and work for reforms.

This in a nutshell is what President Marcos wants to warn the Filipino people about. It would be wise for them to ponder the matter and leave the communists where they should be--out of the picture unless they show sincerity in adhering to the Constitution and the laws of the land. But how many of them will?

CSO: 4200/599

PHILIPPINES

DETAINED AUSTRALIAN PRIEST REPORTED HOSPITALIZED

OW120729 Hong Kong AFP in English 0552 GMT 12 Mar 84

[Text] Bacolod City, Central Philippines, 12 Mar (AFP)—Australian priest Father Brian Gore, detained and accused of murder with eight others, today was rushed to hospital after prison inmates battled for bread at breakfast, resulting in the stabbing of another prisoner, the provincial jail warden said.

At the hospital, attending physician Wildredo Salvador said Fr Gore suffered "syncope," or a fainting spell and would remain in hospital for further observation. The priest complained of lack of breath and dizziness.

Fr Gore was still sleeping when an inmate, Elmer Pediarero, who was stabbed in the back, crept into the cell during the melee to ask for help, the doctor said the priest told him.

Fr Gore, together with Irish Fr Niell O'Brien, Filipino Fr Vicente Dangan and six Roman Catholic lay leaders, dubbed the Negros Nine, are accused of killing a town mayor and four aides in 1982. The trial will resume later today without Fr Gore.

Negros Occidental acting provincial jail warden Lieutenant Francisco Limson said the 38-year-old Australian priest fainted while attempting to pacify inmates at the mail who were violently quarreling over bread the Negros Nine share with the other prisoners. The bread is donated by sympathizers of the nine.

A subsequent search of the cells resulted in the discovery of improvised weapons which were seized by the jail guards, Lt Limson said. The wounded inmate was taken to another hospital, he added.

Earlier, Brigadier General Isidoro de Guzman, who is regional military commander, ordered tightened security in the jail following a complaint by Fr Gore that a sugar planter accompanied by armed men had twice entered the jail and heaped invectives and threats against him.

CSO: 4200/599

PHILIPPINES

PAPER URGES SUPREME COURT NOT TO VACILLATE ON DECREE

HK131439 Manila Metro MANILA TIMES in English 13 Mar 84 p 4

[Editorial: "The Dispute Over Presidential Decrees"]

[Text] President Marcos has come out with a defense of his power to issue presidential decrees, a power given to him by amendment No 6 of the present Constitution.

As he explains it, the resort to amendment No 6 is a "calibrated response" to an emergency and a less odious way of exercising power. The alternative, he says, is resort to what is called the commander-in-chief provision of the Constitution which empowers the president, as commander-in-chief of the armed forces, to suspend the writ of habeas corpus or to proclaim martial law.

The president underscored the fact that he and the ruling Kilusang Bagong Lipunan (KBL) actually govern by consensus. Because of this, the most powerful body in the government and in the KBL is the party caucus, he explained.

He cited the recent case of his decree on the national re-registration of voters, which the Batasan failed to cover by legislation, and which the Batasan stalwarts of the KBL asked him to cover by presidential decree, after the Batasan had adjourned. Without the power granted by Amendment No 6, there would have been no remedy, except to call an expensive special session just for the purpose of resetting the registration dates.

The president's defense of his decree-making power comes on the heels of the challenge in the Supreme Court made by the Integrated Bar of the Philippines [IBP] on the constitutionality of five presidential decrees [PD].

The IBP has asked the Supreme Court to nullify the five PDs--1834, 1835, 1836, 1877 and 1877-A--on the grounds that they violate the constitutional guarantee of due process of law, the freedoms of expression, assembly, and association, and the rights of accused persons to counsel, to bail, and to speedy trial.

It is significant to note that the IBP is not challenging the constitutionality of Amendment 6 itself, only of five decrees that were given life by the amendment.

We can almost foresee the line of defense that the government lawyers will take on the matter from the president's defense of his power. If the people who ratified the amendment gave this power as an alternative means by which the president of the land (whoever he may be, not necessarily Mr Marcos) may safeguard the national security, then it follows that they also gave him the discretion to use this power in whatever form he may deem necessary.

The Supreme Court, of course, is called upon to rule on the matter, as the final arbiter of all our disputes.

We would wish, however, that when it does, it would take the bull by the horns, in a manner of speaking, and rule on the merits of the case, considering the arguments of the petitioners. What we don't want to happen is a repeat of the case of the Preventive Detention Action [PDA] of recent unhappy memory. On this, the Supreme Court said it was a political act of the president and therefore the Supreme Court may not intervene, meaning it may not rule one way or the other. All in all, the Supreme Court, which is supposed to have the courage and independence befitting its high office, preferred to chicken out and washed the matter off its hands.

While this may have been a perfectly legal and logical principle, understood and accepted by legal minds and those educated in the law, it was completely lost on the millions of Filipinos who are not familiar with legal niceties. What is worse is that many might think this kind of decision (as many did in the case of the PDA decision) resulted in the Supreme Court's refusal to rule squarely on a delicate matter. The feeling was that if it had ruled squarely, the government would have lost the case.

There is no need to point out the dire consequences of such vacillation on our political life and national survival.

CSO: 4200/599

## MILITARY AFFAIRS AND PUBLIC SECURITY

### MINH HAI PROVINCE TIGHTENS COASTAL SECURITY

Hanoi QUAN DOI NHAN DAN in Vietnamese 9 Feb 84 p 2

[Article by Bui Van Bong: "Maintaining Security in a Coastal Area"]

[Text] Last year, Minh Hai Province attached importance to making combined use of army troops, militia-self-defense forces, public security forces and youths to maintain order and security in strategically important areas, especially along the seacoast and on the islands.

At the start of the year, the Minh Hai Provincial Party Committee and People's Committee issued a resolution on leading and guiding the various sectors, levels and localities in strengthening many of the measures designed to maintain political security, maintain social order and safety and maintain a readiness to defeat the wide-ranging war of sabotage being waged by the enemy. In coordination with the public security agency and the Ho Chi Minh Communist Youth Union, the provincial military agency held a conference to discuss ways to closely coordinate the various forces, assign clearly defined tasks and duties, define areas of key importance and establish a unified command in order to expand the maintenance of security from the province to the districts, villages and production installations. Since the start of the year, the province has held five professional training classes and three specialized cadre advanced training classes for thousands of cadres and soldiers of the armed forces and 546 installation Youth Union secretaries and deputy secretaries. This year, gaining experience from past years, Minh Hai Province has developed the role played by the unified command in order to provide close and thorough guidance and assess the effectiveness of the activities of each unit and each locality. The party committees and governments of the various localities, such as Ca Mau City, Bac Lieu City, Tran Van Thoi District and Gia Rai District, have put one member of the standing committee of the district party committee in charge of coordinating security forces. The unified command, under the direction of the military agency, has established a schedule of weekly and monthly reports on the maintenance of security from the village to the district and provincial level. The reporting schedule has been regularly maintained by the localities and units and all reports submitted have been of high quality.

Border defense units T15, B26, N8, C10, HT34 and T20 have coordinated with the localities in the border defense zone to conduct 5,670 coastline patrols,

3,698 patrols at sea and thousands of unscheduled patrols. The patrols coordinated between border defense troops and forces within the locality uncovered and dealt with dozens of cases of boats and ships entering or leaving the mouths of rivers and bays in violation of regulations and hundreds of persons practicing trades at sea in violation of regulations. They also made arrests in hundreds of cases involving persons attempting to illegally flee the country by sea or illegally enter the country. Fishing flotillas MH34, GH8, BC12 and TK6 carry out production at sea while conducting patrols to protect fishing grounds, protect internal waters and the continental shelf. Last year, these units discovered and made arrests in 28 cases involving foreign boats and ships violating our offshore waters and stealing marine products. Local army units D3, B61, BK9, C17 and C2, operating in coordination with local militia, public security forces and youths in the areas in which their troops are stationed, sent 134,670 persons to study the regulations on the maintenance of security and order, study the party's line on the struggle against counter-revolutionaries and study state laws. The masses in the various localities also studied and learned about the schemes and methods of sabotage of the enemy, defined their tasks and regularly maintained a high spirit of vigilance.

The close coordination among the four forces in Minh Hai last year made a significant and truly effective contribution to the maintenance of security. Last year, 75 percent of the political and criminal violations of the law were reported by the masses; negative phenomena declined by 20 to 32 percent compared to 1982, especially at the coastal units of the armed forces; social ills decreased by 16 percent; state law was strengthened; and political security as well as social order and safety were more firmly maintained with each passing day.

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CS0: 4209/194

## MILITARY AFFAIRS AND PUBLIC SECURITY

### HOANG VAN THAI SPEECH ON STUDY OF MILITARY HISTORY

Hanoi QUAN DOI NHAN DAN in Vietnamese 9 Feb 84 pp 1, 4

[Speech by Senior General Hoang Van Thai: "The Study of Military History Is Very Necessary in the Buildup and Development of the Armed Forces, the Development of Military Science and Art and the Building of Our National Defense System"]

[Text] Editorial Note: Recently, as reported by QUAN DOI NHAN DAN Newspaper and in compliance with the directive of the High Command, the School Department held our army's first training class for instructors in military history. On the basis of the draft curriculum compiled by the Vietnam Institute of Military History, instructors of the Institute of Military History and the various schools presented to the class 18 speeches on the history of war and military art. Senior General Hoang Van Thai, member of the Party Central Committee and vice minister of national defense, visited and addressed the class. In this edition of the paper, we have the honor of presenting to readers the complete text of this speech by Senior General Hoang Van Thai.

This is the first time that we have studied matters pertaining to war and military art in the world and Vietnam since ancient times in a relatively basic and systematic manner. We now have a fuller understanding of the objectives, functions and scope of research and the importance of the science of military history in the overall knowledge of mankind, especially in the class struggle and armed struggle.

Although this study only marks the beginning, it has laid the necessary foundations and created the basic conditions for you to return to your schools and teach military history to the students of the academies and schools of our army.

Through observation, through the guidance provided in this area over the past several years and through the report made by the School Department, I see that we have adopted correct policies and taken correct actions.

--Some time ago, we incorporated the study of military history in the officers training program, with the result that the knowledge possessed by officers now includes very necessary knowledge of military history.

--The School Department and the Vietnam Institute of Military History have compiled an 18 lesson curriculum on military history and begun to use this material in the advanced training of instructors and as reference material in the preparation of lessons.

--The School Department and the Vietnam Institute of Military History have organized training for military history instructors for the academies, officers schools and military administration schools of the entire army.

As a result of the efforts described above, we can, during the 1983-1984 school year, teach the subject of military history at the academies and schools under a common objective and program. In the 1983-1984 school year at the academies and schools of the army, we have begun to establish a corps of instructors in military history, a corps which, although still small and limited in terms of knowledge and qualifications, has received uniform training and fully understands the policy and intentions of the ministry with regard to the teaching of military history to the officers of our army. This corps is the nucleus and will be developed by us into a large and well qualified corps of instructors in military history.

On behalf of the members of the Standing Committee of the Military Commission of the Party Central Committee and the minister of national defense, I praise the above mentioned initial efforts and achievements of the comrades of the School Department and the Vietnam Institute of Military History and commend Group 871 and the 9th Unit for the spirit in which they have provided support.

Now, I would like to talk to you about the need to teach and learn military history well at the academies and schools of the army.

As we know, military history studies the process of the formation and development of the military in history in order to determine essential relationships, discover the laws governing this development and, at the same time, learn lessons and gain experience from history for the purpose of making an effective contribution to the solution of problems of military practice and theory in the new stage of development.

Thus, the study of military history is of very practical significance because:

--On the one hand, it provides us with the very best from the military field of all mankind since ancient times for us to inherit and develop upon.

--On the other hand, through the discovery of the laws governing the formation and development of the military, military art, military thinking and so forth, it permits us to predict the trends of development of military activities in the future. This is very necessary in the buildup and development of the armed forces, the development of military science and art and the building of our national defense system.

In its several thousand years of building and defending the country, our nation has established a very glorious tradition of resisting foreign aggression. Generation after generation of our forefathers steadfastly fought and defeated each plan of expansion of the northern feudal dynasties. The experience gained in fighting the enemy and defending the country was

crystallized and handed down to one generation after another, constantly enhanced and gradually became the very unique military art of our nation, the military art of the entire country joining forces, of all the people fighting the enemy, of using weakness to combat strength, of using few forces to triumph over many in a very resourceful and creative manner.

Today, in view of the very new circumstances that exist, new pages are being written in the history of our nation and world history is also undergoing profound changes.

We have a Marxist-Leninist party and, under its leadership, our nation has recorded new achievements: we defeated three imperialist powers in a row: Japan, France and the United States. And, in more recent times, we have defeated the northern enemy, the Beijing expansionists and hegemonists, who are collaborating with the U.S. imperialists and the international reactionary powers.

Today, we are defending the fatherland against the Chinese expansionists under conditions far different than those experienced by our forefathers. We have the party, the socialist system and the socialist camp. We have taken very long strides forward in science-technology, weapons and equipment. The enemy is also quite different. However, the aspects of our tradition that embody national character, our people and our geographical and natural conditions are not entirely different than they once were, rather, they are still similar in many ways. Under such circumstances, the heritage of military art bequeathed to us by our forefathers becomes even more valuable to us and fully studying this heritage so that we can incorporate the very best that it has to offer under present conditions becomes a very necessary and urgent effort.

We must recognize that we have long lacked the truly thorough and detailed conditions needed to research the heritage of military art bequeathed by our forefathers; this has partly been due to a lack of materials and probably due to our failure to organize research. We have only concerned ourselves with military thinking and have not done much to research military art, especially the art of campaigns and tactics. Now, we must deeply involve ourselves in thorough, detailed research, in research conducted at the scene of battles so that we can accurately recreate battles, campaigns and so forth. In this way, we must learn the essence of our forefathers' art of fighting the enemy.

The years since 1930 constitute the most brilliant stage in the history of our nation. Under the leadership of the party and President Ho Chi Minh, our nation won victory over three imperialist powers, France, Japan and the United States and, more recently, has won victory over the Chinese expansionists and their lackeys.

The military science and art of Vietnam in the present stage is proletarian military science and art. It incorporates and creatively develops upon the military thinking of Marxism-Leninism as applied under the circumstances of the country and people of Vietnam in the new stages of development of our times. In the world, there are many people who do not understand how we were able to win victory over imperialists with strong economies and powerful military forces, especially win victory over the U.S. imperialists.

Today, our party and people are performing the two strategic tasks of building and defending the fatherland. Our armed forces are vigilantly maintaining a high state of combat readiness day and night so that we can promptly defeat any enemy wherever and whenever they violate the independence and sovereignty of the fatherland, protect the peaceful life and labor of the people and help to safeguard peace on our planet.

To complete these tasks, we must continue to study and apply the valuable experiences gained in the previous wars of liberation.

The war to defend the fatherland and the war of liberation, although different, have many basic points in common. Both are wars fought by the people under the leadership of the party and both embody deeply held traditions that extend back to the origins of the nation. Therefore, many of the lessons and experiences of the recent wars of liberation are still of very much value in today's war to defend the fatherland. The study of the experiences of the wars of liberation fought over the past several decades will prove to be of very large and important significance in the development of military thinking, theory, science and art in the present stage and the future as well.

We have a very large advantage in our favor, namely, that persons who participated in the recent wars are still living and working. However, on the other hand, it also indicates the urgent nature of the work that must be performed. Because, the persons who bore arms in combat over the past several decades, persons who carry with themselves the priceless experiences of the wars of liberation will, in keeping with the laws of time, gradually become less numerous and eventually be gone from us forever. Therefore, we must quickly and urgently gather information from real persons and record it so that it can be handed down to subsequent generations.

Within the Soviet armed forces, the study of the experiences of the 1941-1945 war to defend the fatherland is still continuing today on a large scale and in deep detail.

The realities of the past several decades also show us that it is very necessary to study and research the good experiences contained within the storehouse of world military history.

Our party and President Ho, who led our people in the uprising to seize political power in August, 1945 and then steadily steered the ship of the Vietnam revolution through the rough seas and turbulent winds of the early years, also studied and applied the lessons and experiences of the Russian October Revolution. In the war of resistance against the United States, many of our commanders and leaders, from the tactical to the campaign and strategic echelons, studied in the Soviet Union, learned the experiences of our friends and the world and creatively applied them to the realities of combat in Vietnam.

President Ho was a model of studying and creatively applying the military art of the world in the guidance of war in our country.

We must oppose conservative, narrowminded thinking and the attitude of not wanting to study or learn the experiences of the world. We must study the very best attributes of the military science of each nation and time, study our own military science and research that of the enemy as well.

Once our study has been completed, we must creatively apply what we learned under the specific circumstances of our country. We must avoid mechanically studying one thing after another and not being selective. Both narrowmindedness and studying in a mechanical manner are detrimental to the development of our military science and art.

Above, I have presented a few thoughts, thoughts in the nature of suggestions, for you to consider concerning the importance of studying military history. Because it has such importance, the ministry has decided to include the subject of military history in the official training program of the officers schools and academies.

Some schools are teaching this subject now but many are not and the subject matter being taught is not uniform. Some schools are teaching the history of the army, some are teaching the history of their service, branch or unit and some are teaching the history of our forefathers' fight against the enemy. Generally speaking, importance has not been attached to teaching military history and the purpose of teaching it is only to gain an understanding of the past, not to develop a program and subject matter, consequently, the practical effect of this subject is not being realized. This situation must be corrected. We must provide systematic, basic and comprehensive training in military history. Military history must become an important subject, a main subject at the academies and schools of our army.

At present, very little time is allocated to the study of military history, only 40 classroom periods at the officers schools and 80 at the academies. Now, we will try to increase the amount of time allocated for this subject.

We will establish a military history training program for officers plus a three-level system.

At the officers schools, the teaching of military history will provide general knowledge concerning the history of warfare and military art, with a thorough examination of tactics under the portion of the program dealing with military art.

At the academies, the teaching of military history will primarily deal with campaign art. At the advanced academies, the course will delve deeply into war and military strategy.

Here, allow me to state the jobs that must be performed in order to provide good training in military history:

To begin with, we must establish a program system, compile a system of lessons and curricula and build a corps of instructors in military history who are fully capable of teaching military history in accordance with this program system.

As regards the program, we must recognize that the purpose of the study of the science of military history by officers is to gain an understanding of the history of wars, the development of military art and the laws of development in the field of military activity. In this way, they will broaden their knowledge of military affairs, cultivate their methods of examination and learn from history lessons that will help them resolve present problems and predict the trend of development in the field of military affairs. This objective must be the basis for determining the subject matter taught in the subject of military history and determining which matters each echelon must study.

Of course, when examining this matter, we must also take into consideration the training objectives of each specialized sector and each level of officer training as well as the subject matter taught in the other fields of study and the amount of time allocated for the study of military history. In other words, we must place military history in an organic relationship with the entire program of officer training, each level, each specialized sector and the development of officers through each ascending level of training.

Generally speaking, we are now training officers on three levels: the tactical level, the campaign-tactical level and the strategic-campaign level.

The study of military history at schools must be broken down on the basis of these three levels.

The tactical level must provide basic, comprehensive knowledge of military history since ancient times, both at home and abroad, with emphasis upon modern, domestic military history. With regard to foreign countries, the center of the study of military history must be the Soviet Union. Military art must be deeply studied in the section of the course dealing with tactics. The time allocated for the study of military history must be raised, for example, to 60 periods of classroom study.

The campaign-tactical level must deeply study the history of campaign art and tactics. Efforts must be focused primarily on Vietnam while also studying foreign countries, mainly the Soviet Union. We also need to deeply study the history of the campaign art of several imperialist countries and China. The amount of time allocated for this training must be more than on the tactical level.

The campaign-strategic level must deeply study the campaign and strategic experiences of the wars against France and the United States and of the Soviet Union. It must study the two world wars and the militant alliance among Vietnam, Laos and Kampuchea.

As regards the curriculum, we recently compiled a military history curriculum consisting of three lessons. This represents a major effort on the part of the Institute of Military History and will help in providing advanced training to the military history instructors of the academies and schools. However, we have not yet been able to introduce this material in instruction at the officers schools because the amount of time available for study at these schools is limited and the subject must be consistent with officer training objectives on the tactical level. Therefore, the School Department and the

comrades at schools must conduct detailed research, condense and rewrite these 10 lessons [as published] and appropriately supplement those portions that relate to the history of tactics. The rear service, political and military medical sectors, the service echelon, branch echelon and so forth must compile lessons on the military history of their sector, service or branch. The School Department has the task of guiding this work. We must soon print books for students to use in their research and study.

As regards the academies, the School Department must preside over and coordinate with the teachers of the academies, using the army academy as the center of this effort, in order to develop curricula that provide the time needed to deeply study the experiences of the wars of resistance against France and the United States. The development of the campaign art of Vietnam since 1943 must be studied on the basis of thoroughly researching the most important campaigns and representative battles. In addition, it is necessary to study a number of the important campaigns of the Soviet Union in World War II.

Between now and 1985, instruction must continue to be based on the material contained within the 12 lessons now being taught. However, we must complete the new program and curriculum in order to begin using them in training from 1976 onward. The program and curriculum of the advanced academy will remain the same for the foreseeable future. Soon, however, with its efforts focused on the advanced academy, the School Department must coordinate with the Institute of Military History for the purpose of developing a program and writing a curriculum.

To establish a good system of high quality teaching and learning materials, we must stress the need to use competent cadres. We have many qualified, competent and experienced cadres who are not being fully utilized. We must bring these persons together and organize them into a force that researches and compiles military history training materials and provide the conditions needed for them to devote the full measure of their zeal and the intellectual capabilities of each person and the entire collective to this work. We must also study and put into effect a policy of benefits commensurate with the research results achieved by cadres in order to provide them with incentive and help them overcome the difficulties being encountered in their material lives today, thus enabling them to perform their work with peace of mind.

Generally speaking, the remuneration for projects involving the research and compilation of training materials is low, which has had more than a slight impact upon the number and quality of these projects. The resulting harm is actually much larger than the material compensation we should be paying to these persons.

Those who are responsible for this work must study ways to revise and amend policies and regulations, ways that correct the inequities that now exist.

Once the training program and materials have been established, we must have instructors. Instructors are the most important element because it is they, no one else, who develop programs, compile materials and provide instruction. Therefore, the quality of the teaching of military history at academies and

schools is dependent primarily upon the quality of the teachers of military history.

We must build a corps of teachers encompassing the three levels: the tactical level, the campaign-tactical level and the strategic-campaign level. This corps must consist of teachers who are highly specialized in the subject matter they teach.

In addition to being qualified to teach military subjects, teachers of military history must possess comprehensive knowledge, a rather deep understanding of military science and general history and possess basic, comprehensive and systematic knowledge of military history.

In particular, the teacher of military history must be well versed in Marxist-Leninist theory, Marxist-Leninist doctrine on war and the army and the methodology of military history in order to shed light on the relationship between science and the nature of the party. They must also be well versed in employing the historical method and the logical method in researching and teaching military history.

This is the first class for teachers of military history and you are the first seeds. Some of you come here with a certain amount of knowledge of military history but the majority of you are coming into contact with this science for the first time.

The scope of the matter at hand is very broad but the amount of time available for research is very short, the supply of materials and teachers is limited in some respects and so forth; therefore, it can be said that we have only started to travel the long road of this science in 1983. We must continue to struggle, continue to work hard and study patiently so that we can gain a deep understanding of this science and teach it well.

Therefore, the School Department must gradually improve the qualifications of the teachers of military history and eventually enable some comrades to earn high academic titles in this field. The Cadre Department must strengthen the corps of teachers of military history at the academies and schools.

The recent training class was a successful effort, was of very important significance in opening the way. However, such training is not basic training. Soon, when conditions permit, we must hold long-term training classes lasting from 3 to 6 months. We must eventually establish a military history faculty at the advanced academy to provide long term training to cadres who research and teach military history. The students who will leave the advanced academy to teach and study will be persons who graduate rather high in their classes at the various academies, persons who have an aptitude for teaching and a preference for the subject of history, persons who come to the advanced academy to study military history in a basic, comprehensive and systematic manner and more deeply research the subject matter they will be teaching. The graduates of this department will be military history cadres who specialize in research and teaching.

The Vietnam Institute of Military History must continue to write many materials so that teachers and students have reference material and can broaden their knowledge. The military history journal must be expanded to include articles on the teaching of military history in order to provide advanced training to teachers of military history in their special fields and profession. The publishing house must concern itself much more with publishing books on military history.

We must endeavor to build a corps of teachers of military history by 1985 and meet the requirements of instruction at schools.

We have managed to provide a certain amount of training in military history. Because of the short amount of time available, we have only been able to familiarize ourselves with matters of major importance, not study all matters in detail.

Consequently, to be able to teach well, you must restudy what you have learned in order to grasp the matters and materials that have been presented.

At the same time, we must study general history more widely, study military history in a more comprehensive manner and cultivate our knowledge of military science and the social sciences.

We must study very much, must learn from specialized materials on history and military history, learn through the regular reading of historical journals so that we can keep abreast of the latest achievements of the science of history and military history. This is what we must do to become good teachers.

As regards materials, we can contact the School Department, research agencies in and outside the army and libraries to find materials to read.

Before you return to your schools, we must conduct a thorough discussion for the purpose of defining the program for the officers schools and academies and achieve uniformity in the programs and subjects of instruction in the military history courses at the officers schools and academies. On each school level, an effort must be made to use the subject of military history to support the overall training objectives of the officers of each specialized sector and each level as best possible. At the same time, we must take the first step in achieving uniformity and a systematic progression among the military history programs of the various levels. We must clearly define what the lower level must study and what the upper level must study in order to insure continuity and smooth progression from the lower to the upper level and avoid duplication.

Finally, I want to remind you about one point that I consider very important, namely, the need to constantly cultivate the qualities of the scientist, an educator.

When talking about the qualities of a scientist, mention must be made of an intense desire to study and learn, to constantly enrich one's knowledge and never allow one's creativity to fade.

The scientist must bravely face difficulties and overcome them, regardless of which type they might be; he must respect the truth and respect objective laws.

The scientist must have an intense love for his work. Many scientists have devoted their entire lives to the cause of science.

As regards being an educator, I would like to mention the spirit of "everything for the student." For the sake of students, teachers must deeply research their subject matter and research teaching methods that disseminate knowledge to students in the most useful, practical, precise, profound and easily understood manner possible.

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CSO: 4209/194

## MILITARY AFFAIRS AND PUBLIC SECURITY

### BRIEFS

HANOI INSPECTION TEAMS--Hanoi has 1,239 worker inspection committees at factories, enterprises, agencies and hospitals and more than 340 people's inspection committees in its subwards and villages. Last year, the worker and people's inspection committees conducted more than 3,800 inspections in 824 units in industry, commerce and so forth and uncovered for prosecution a number of cases involving violations of regulations and policies that had caused a loss of property by the state. The worker and people's inspection committees made 951 proposals concerning how to rectify shortcomings and reorganize management within units. During the first days of this year, the worker and people's inspection committees of the city have concentrated their efforts on inspecting the implementation of plans in industrial production, agriculture and distribution-circulation, thereby helping to insure that production plan norms are met and the required products are delivered to the state. [Text] [Hanoi NHAN DAN in Vietnamese 18 Jan 84 p 2 ] 7809

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## PARTY ACTIVITIES AND GOVERNMENT

### HANOI YOUTH UNION CONGRESS REVIEWS YOUTH MOVEMENT

Hanoi NHAN DAN in Vietnamese 18 Jan 84 p 3

[Article: "The Youths of the Capital Forge Themselves To Be New, Socialist Youths Who Will Go Anywhere and Do Anything for the Sake of Building and Defending the Fatherland"]

[Text] The Hanoi Municipal Ho Chi Minh Communist Youth Union recently held its 8th Congress to review Youth Union work and the youth movement since 1980 and establish its guidelines and tasks for the years ahead.

During the past 3 years, the Youth Union made many efforts to propagandize and educate the youths of the capital concerning socialism, the lines and policies of the party, the new, socialist lifestyle and revolutionary tradition.

During the past 3 years, through the revolutionary action movements of youths, such as the creative labor movement, the movement to volunteer to exceed plan quotas, the skill training and testing movement and the start-to-finish project contracts of youths movement, the young workers of Hanoi undertook 14,200 youth projects and jobs, performed the difficult work in industrial production, made 87,500 innovations that resulted in more efficient production and reclaimed 4.5 million cement bags, thus saving the state hundreds of millions of dong.

Each year, more than 65,000 youths meet and exceed their state plan quotas. In agricultural production, the youth emulation movement to exceed contract quotas and sell many projects to the state has developed well; more than 90 percent of agricultural youths have participated in this movement, thereby helping to strengthen and put the activities of the more than 800 production units specializing in seed, fertilizer, crop protection and so forth on a regular basis.

It was in Hanoi that the nationwide movement of "youths uniting the four forces" in the maintenance of order and security began. In this field, virtually all subwards and villages have established security shock youth units that coordinate with public security and army forces in maintaining order, security and a civilized lifestyle at public places. The movement to establish socialist collectives of students at the colleges, vocational middle

schools and general middle schools has also developed well. Each year, about 79 percent of Youth Union chapters pledge to build socialist collectives of students and from 10 to 15 percent of Youth Union chapters are recognized as having earned this title.

During the past 3 years, the Hanoi Youth Union has brought more than 140,000 youths into its organization and 83,000 teenagers and children into the teenagers' and children's units; some 6,000 Youth Union members have been accepted into the party.

The 8th Youth Union Congress defined the three central tasks of the Youth Union and youth movement of the capital Hanoi between now and 1985 as: giving the youths of the capital a deeper understanding of Marxism-Leninism, socialism and the struggle between socialist and capitalism; the malicious schemes and methods of the enemy in their wide-ranging war of sabotage against our country; the responsibility and obligation of the young toward the country; and revolutionary tradition, socialist ethics and the socialist lifestyle of the young. On this basis, youths must be encouraged to take the lead in meeting the economic and social goals of the city and carrying out the five revolutionary action programs launched by the Youth Union Central Committee. The movement of "all the people caring for teenagers and children and concerning themselves with building the teenagers' and children's units" must be accelerated.

Between now and 1985, the Hanoi Youth Union will intensify the campaign to establish the new lifestyle among youths, with the important, practical goals of the campaign being: creating a new style of social intercourse and social relations among the youths of the capital, the style of treating everyone in a courteous manner, living in accordance with the Constitution and law, maintaining order and sanitation at public places and participating in physical culture and sports.

To develop the potentials that lie in the labor and intelligence of youths, the Youth Union will strengthen and develop the youth labor teams and units working at foundation, water conservancy, housing construction and road construction projects, mining coal and planting trees and vegetation on barren hills. It will continue to send youths of the capital to work at communist youth projects throughout the country, organize student units to work at state farms, forestry sites, enterprises and cooperatives during summer vacations and attach special importance to encouraging youths of the capital to participate in the redistribution of labor on a nationwide scale.

The Hanoi Municipal Ho Chi Minh Communist Youth Union Congress established the slogan of revolutionary action of the young people of the capital for the period of time between now and 1985 as: eagerly studying and endeavoring to become new socialist who go anywhere and do anything for the sake of building and defending the fatherland.

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## ECONOMIC PLANNING, TRADE AND FINANCE

### VINH PHU ENUMERATES SOCIO-ECONOMIC TARGETS FOR 1990

Hanoi NHAN DAN in Vietnamese 10 Jan 84 pp 3, 4

[Article by Nguyen Van Ton, secretary of the Vinh Phu Provincial Party Committee: "Vinh Phu Bring About Socio-Economic Change"]

[Text] During the past 3 years, Vinh Phu Province has undergone comprehensive, positive changes and made steady progress. The most significant change has been the development of agricultural production. Total grain output has increased with each passing year: output exceeded 360,000 tons in 1983, a 26 percent increase over 1980. Rather good results have been achieved in the fulfillment of grain obligations and the procurement of grain. In 1983, more than 80,000 tons of grain were mobilized, twice as much as in 1980 and more than the average 5-year (1976-1980) mobilization quota. Our province is approaching the goal of achieving self-sufficiency in grain, thereby serving the daily needs of the province's 1.5 million people despite having only a limited amount of land under the cultivation of rice, only 63,000 hectares are under cultivation during the 5th month season and then the 10th month season, 10,000 to 13,000 hectares of which produce unstable yields.

The production of annual industrial crops, vegetables and beans has increased at a rather rapid rate. In 1980, 4,150 hectares were under the cultivation of peanuts, soybeans, sugarcane, jute, castor oil plants and cotton; in 1983, 8,914 hectares, more than twice as much, were under cultivation. Vegetable and bean production increased from 11,800 hectares in 1980 to 13,500 hectares in 1983, a 14 percent increase.

Marked progress has been made in using hillside forests for both agriculture and forestry and production has developed there at a rapid rate. During the past 3 years, forests and perennial industrial crops were planted on nearly 10,000 hectares, 2,500 hectares of which were planted with tea, lacquer and pineapples. The destruction of the forests is gradually being curbed. The hillside production of annual crops is developing well. Peanut and sugarcane cultivation have been expanded; hillside peanut production increased from 847 hectares in 1980 to 2,500 hectares in 1983. Vinh Phu has cleared 740 hectares of land and sent 1,893 laborers to build new economic zones.

The raising of buffalo, cattle and hogs has developed rather well, especially among cooperative member households. Pisciculture has developed; the production of commercial chickens has been maintained. The buffalo herd has increased by 1.4 percent, the cattle herd by 12.7 percent and the hog herd by more than 1 percent each year. The provincial party committee has issued a resolution on promoting livestock production and correcting the shortcomings of the recent past, especially in the areas of breeding and veterinary care.

Facing difficulties with energy, supplies and raw materials, the province quickly took the first step in reorganizing production at the industrial enterprises and revised the variety of products being produced. Total industrial output value has increased at the average annual rate of 4.3 percent. Many enterprises and units have firmly maintained their production. Since 1982, our province has been establishing ties and cooperation in production and business between the locality and the 12 enterprises of the central level, as a result of which we have produced 30 addition products, several new trade sectors have been formed, labor has been employed and goods have been produced in support of production and everyday life.

New advances have been made in communications-transportation and capital construction; marine transport capacity has increased considerably. Key projects have been constructed quickly and completed on schedule.

In distribution and circulation, our province has made many efforts to control money and goods. The procurement of grain, agricultural products, such as tea, lacquer, bananas, beans, peanuts, pork, sugar and molasses, and industrial and handicraft goods has also increased considerably. As a result, we have been able to meet needs and gradually overcome the difficulties in production and everyday life, especially the everyday lives of cadres, manual workers and the armed forces.

Marked changes have occurred in export activities; the annual output value of export goods has risen quickly from 45 million dong in 1981 to 75 million dong in 1982 and 120 million dong in 1983.

Through practice, we have become more clearly aware of the potentials of the province and the possibilities for developing them in order to develop the economy and stabilize the standard of living. The experience of the past 3 years has confirmed: these potentials can only be developed by making good use of labor, arable land and existing material-technical bases, accelerating production, improving management, introducing scientific-technological advances in production and correctly applying the economic policies of the party and state, with importance attached to the work of organizing and guiding the performance of established socio-economic tasks.

Through the realities of providing guidance, we have come to see the pressing need to improve planning and insure that all three levels exercise mastery in the formulation of plans. To begin with, the province must take a step forward in improving the assignment of plan norms to the lower level and installations. Once a plan has been formulated, it then becomes extremely important to make the greatest possible effort to provide the material conditions needed for production, thereby insuring that the lower level and

production installations complete their plans. One very important demand is the need to closely link plan targets to management and the application of technological advances, the correct application of policies, cost accounting and the establishment of correct market relations. We realize the necessity of attaching importance to productivity, quality and economic efficiency, considering them to be standards for evaluating economic activities, to be the fundamental elements in the development of the economy in depth.

During the past 3 years, our province also applied a number of scientific-technological advances in production, especially agricultural and industrial production. The cooperation between the province and scientific research agencies on the central level is creating favorable conditions for the province's production sectors to rapidly introduce scientific and technological advances in production in a more effective manner.

We also realize the need to improve the management and guidance of the implementation of plans on all levels and in all sectors, especially with regard to the division of labor and the division of responsibilities between the province and the district, and clearly define and respect the independence of the basic units. We have a clearer realization of the role played by the district level and installations and the role of key cadres and the organizational apparatus. One very important requirement is that in order to guide the performance of socio-economic tasks on the district and basic levels, it is first of all necessary to strengthen the apparatus of the districts and installations by means of a solid, united corps of key cadres who are competent and possess the necessary management qualifications. Toward this end, our province has gradually strengthened the district and basic levels during the past 3 years and slowly reduced the average age of the corps of cadres.

Another matter of no less importance is the need to establish models, summarize advanced experiences and apply them widely. We have established units that are models of intensive cultivation and product contracts within agriculture; models of organizing production, contracts and management within the hillside forestry business; models of improving management and product contracts within industry; models of start to finish contracts in capital construction; models of business contracts in commerce and the services, etc.

Besides the achievements that have been recorded, we still see several weaknesses and deficiencies that we must endeavor to correct: economic development is not uniform and is still unstable in some areas. In agricultural production, rice yields have increased by a considerable amount but subsidiary food crop production has been gradually declining. In livestock production, the cattle herd has developed strongly but the buffalo and hog herds have grown slowly. The efficiency of livestock production is low due to unstable feed sources and poor quality breeding and veterinary services. Generally speaking, industrial, small industry and handicraft production is still weak. A strong effort has not been made to apply scientific-technological advances in production.

In distribution and circulation, our control of money and products is not good in some areas. Many loopholes and problems still characterize the effort to

restore order to distribution-circulation and the management of the market and prices.

The supply of materials and goods in reserve for production and consumption is very small and does not meet the requirements of production or everyday life. The socialist production relations in both the collective and state-operated sectors have not been strengthened in certain areas, especially the management and use of instruments of production and product management.

At some places, the guidance provided by the various levels and sectors is still marked by bureaucracy and a lack of close relations with installations, a lack of inspections and close supervision. Light attention is still being given to ideological and organizational work.

The main guidelines of Vinh Phu concerning socio-economic development between now and 1985 and 1990 are: making every effort to increase the output of grain and food as much as possible in an attempt to meet the needs for grain within the province on our own; accelerating livestock production; focusing efforts on developing industrial crop production, planting forests, protecting the forests and increasing the supply of raw materials to industry, small industry and the handicraft trades for the production of export and consumer goods; stabilizing and taking a step toward improving the material and cultural lives of the people of the province, thereby helping to make the country prosperous.

In the years ahead (1984-1985), in keeping with the resolutions of the 4th and 5th Party Plenums, we will concentrate on meeting the remaining targets of the 5-year plan and preparing all the conditions needed for the plans of subsequent years. The main targets that the province must meet by 1985 are: producing 400,000 tons of grain; planting 15,000 hectares of vegetables and beans and 17,000 hectares of peanuts, sugarcane, soybeans, jute and castor oil plants; raising 380,000 hogs and 184,000 buffalo and head of cattle; catching 4,500 tons of fish; planting 4,000 hectares of tea, lacquer, pineapples, bananas and oil bearing plants during the 2 years; planting 10,000 hectares of forests and properly caring for 16,000 hectares of forests; and raising the annual rate of growth of industrial production to 10 percent and exports to 30 percent.

To implement the guidelines and meet the targets presented above, we have established the major jobs that must be performed as:

1. We must strengthen the material bases of agricultural production, beginning with water conservancy projects, seed, fertilizer and so forth; introduce scientific-technological advances in production; and improve the management system within agriculture and apply the various economic policies well in order to encourage intensive cultivation on existing fields and achieve high crop yields, especially the intensive cultivation of rice, subsidiary food crops and the primary industrial crops. Each district and installation must zone and classify their cropland, adopt scientifically based plans for intensive cultivation and establish rice growing areas that record average yields of 7 to 8 tons per hectare in the lowlands and 5 to 6 tons in the foothills with cassava yields of 10 to 12 tons and corn yields of 2 to 3

tons per hectare. In livestock production, attention must be given to improving breeds, resolving the feed processing problem better and preventing and controlling livestock epidemics in order to improve the quality and efficiency of livestock production. The development of livestock production must encompass buffalo, cattle, hogs, fish, poultry, bees and silkworms and the output of livestock products must be rapidly increased.

2. Efforts must be focused on developing the hillside forest economy. This is a strategic guideline in the economic development of Vinh Phu. Between now and 1990, Vinh Phu must virtually complete the work of covering bare ground, hills and mountains with vegetation by coordinating the following measures: restoring the forests that have been harvested that are capable of regrowth, planting new forests of timber bearing trees and trees that provide firewood and raw material for paper, strongly developing the production of perennial industrial crops, establishing hillside grasslands for the raising of buffalo and cattle, planting grain crops, such as cassava, potatoes and other tuberous crops, raising beans and peanuts on hillsides to improve the soil, etc.

Above everything else, the province must allocate a certain amount of capital for investment in the state farms and forestry sites and make loans to cooperatives and cooperative member families to help them to develop the hillside forest economy. We must organize the relocation of labor and a portion of the population to the foothills where there is still a shortage of labor and create the conditions for the foothills to develop the hillside forest economy, such as water conservancy projects, while attaching importance to building many reservoirs, developing the road network, establishing seed production facilities, such as forest areas in which seed can be gathered, seedling nurseries and so forth.

3. We must reorganize industrial production in a manner consistent with the production guidelines and circumstances of each enterprise and establish economic ties, cooperation and joint businesses among enterprises and between central industry and local industry, small industry and the handicraft trades in order to make efficient use of industrial potentials and existing sources of raw materials. In the years ahead, we must stimulate the development of small industry and handicraft production with a view toward supporting agricultural production better, meeting the needs for ordinary tools and fertilizer, process agricultural and forestry products and produce goods for consumption and exportation. Each district must restore its traditional trades and develop new trade sectors.

4. In distribution-circulation and export activities, we are providing guidance in strengthening the state-operated commerce system, marketing cooperatives and the finance and credit sector, reorganizing the market and carrying out the transformation of industry and commerce. Models of good business management are reviewed so that their practices can be widely applied within each sector. We must quickly correct the present state of disorder in order to control money and goods and become the masters of the financial system, the market and prices. Importance must be attached to applying the policies that provide incentive for the production and procurement of export goods.

5. The leadership and guidance provided by the various party committee echelons and levels of government must be improved so that the performance of jobs is organized more effectively. We will focus our efforts on the following several jobs of major importance:

--More vigorously promoting the building of districts and the strengthening of the district level in a manner closely linked to the strengthening of installations, completing the re-examination of our planning and clearly defining the specifics involved in improving our planning regarding the district level; assigning the districts management responsibilities for certain economic installations; streamlining the apparatus and training cadres for the districts and installations; intensifying the effort to build a strong and solid party organization and eventually reaching the point where there are no weak and deficient installations.

--Concentrating on improving management, continuing to improve the management systems within agriculture, industry and distribution-circulation and correctly applying economic and financial policies within each field of production and business, thereby creating a strong force stimulating production and business, stimulating higher labor productivity, product quality and efficiency; establishing a good division of labor and management responsibilities among the province, districts and installations, granting independence to each level, each sector and each installation and establishing the correct relationships in the guidance and management of socio-economic activities.

All levels and sectors must attach importance to inspections, which include inspections of the performance of political tasks, the implementation of regulations, policies and laws and the fulfillment of the function of each organization and cadre. They must also attach importance to political and ideological education, promote cultural and social activities in support of production and daily life and curb the negative phenomena within the economy and society.

In conjunction with economic tasks, full attention must be given to performing the locality's national defense and security tasks well.

7809

CSO: 4209/189

## ECONOMIC PLANNING, TRADE AND FINANCE

### INEFFICIENT USE OF ELECTRICITY CRITICIZED

Hanoi NHAN DAN in Vietnamese 18 Jan 84 p 2

[Article by Binh Nguyen: "Making Efficient Use of Electricity"]

[Text] Electric power is a special instrument of production, a special instrument of consumption and a special commodity. It is perhaps because of this "special" character that cases of horrible waste occur whenever truly correct, strict measures are not employed to supply and inspect the use of electricity. This can be seen through investigations and even in public opinion. Recently, in fact, public opinion at production installations everywhere has applauded the efforts and progress of the power sector in supplying this special product to help support production and everyday life; on the other hand, complaints and criticism have also been heard and have sometimes been sharper and louder than the words of praise. Why does this phenomenon exist?

It is not the purpose of this article to paint a comprehensive picture, that is, to state both the "strongpoints" and "shortcomings" in the management of the supply and use of electricity, but only to direct attention toward a few aspects of the problem regarding the efficiency with which electricity is used. The country is still experiencing a large and acute shortage of electricity (because the average amount of electricity per capita per year is only about 80 kilowatt hours). This is something that everyone knows. However, if the electricity that we do have were managed well, the economic returns from its use would be much larger. Allow me to cite a number of impediments that exist:

First, electricity is not supplied in accordance with the demands of production and does not meet the requirements of manufacturing processes.

At one factory, a supervisor of a steel refining plant told me: when steel is refined in an electric arc furnace, 1 ton of finished steel requires 22 kilograms of electrode coal and 2,000 to 2,200 kilowatt hours of electricity. On the average, it takes about 5 to 6 hours to produce one batch of steel. However, it is a frequent occurrence for the plant's electricity to be cut only 3 to 4 hours after it was turned on, as a result of which a batch of steel cannot be taken from the furnace and must wait to be reheated.

Each time this happens, thousands of kilowatt hours of electricity and tens of kilograms of electrode coal are uselessly wasted, after which new operating procedures are enacted but without any guarantee of success.

The chief of the K. District farmland water conservancy station, which lies in a key rice growing province and operates electric pumps, complained: when the weather is dry and rice is withering, everyone depends upon receiving electricity in order to provide continuous irrigation. According to reason, enough electricity should be supplied for pump stations, canals and ditches to serve their intended purpose, yet this person reported that electricity is cut after only several hours and there are even times when only enough electricity is supplied for pumps to flush out the main canal. When fields require water for 5 continuous days so that they can be plowed, electricity is only supplied for a few days then stopped, as a result of which fields are only "half done" and plowing becomes difficult.

At a food products station of the home trade sector that has a cold storage facility capable of holding tens of tons of frozen pork, one person reported: some meat that was being stored to meet needs following Tet had to be urgently distributed to recipients simply because the station did not receive any electricity for many days in a row and if this situation had persisted much longer, it might have become necessary to throw the pork away.

Secondly, electricity is not supplied to the proper user.

The director of an acetylene factory lamented: the factory is living from day to day and its output equals only one-sixth of its rated capacity chiefly because we are not being supplied with electricity. Because, when talking about acetylene, you are talking about the consumption of electric power at the rate of 4,200 to 4,500 kilowatt hours of electricity per ton of acetylene. Yet, during the first 6 months of 1983, we received only 53.42 percent of the electric power required under our plan. The situation was worse in the 3rd quarter. In October, the factory was without electricity for 254 hours and, in November, we lacked electricity for nearly 200 hours. A factory that has rather modern equipment, is located near the source of its raw materials, has a capacity of 7,000 tons per year and can meet the acetylene needs of the economy's plan is forced to lie idle. Meanwhile, wherever they can splice into power lines, people are rushing out to buy equipment and raw materials in order to produce this product. According to comrades within the chemical sector, hand-made acetylene furnaces consume 1.5 to 1.7 times as much electricity; production costs are two or three times as high as those at the factory mentioned above. As it turns out, the total amount of electricity consumed in the production of acetylene has sometimes increased but output has declined because electricity has not been supplied to the proper user.

Thirdly, even when the supply of electricity is relatively full, power is frequently lost for short periods.

A director of an underground coal mine, as if pouring out his innermost concerns, said: in contrast to machine enterprises, when power is lost for one-half hour or more, workers can stay by their machines and resume production as soon as power is restored, in a mine, when electricity is lost

for 10 or 15 minutes, it is another hour and 30 minutes, sometimes two hours, before workers can resume normal work because the mine must be ventilated, detoxified and so forth. This is a case in which the loss of electricity during the second half of a production shift, not the first half of the next shift, can be considered the loss of an entire production shift. Therefore, although the percentage of hours during which electricity is lost is very low, if the number of times that electricity is lost for short periods is high, coal still cannot be produced.

The director of a textile mill complained: in the singeing of cotton on the surface of cloth, as many as 35 to 70 meters of cloth can be burned if power is suddenly lost for only a few minutes; in the scouring of cloth and the printing of flowers on cloth, hundreds of meters of cloth have had to be downgraded from grade A to grade C because of power outages.

Fourthly, even when electricity is supplied for the full amount of time needed, the quality of electricity is very poor.

The director of a rubber processing plant was very upset when 60,372 bicycle tires were ruined because the supply of electricity was unstable; fluctuations in voltage caused difficulties in production and made it impossible to maintain quality control.

A doctor, the chief of surgery at B. Hospital, talked about fluctuation in the brightness of lights: when performing surgery, it is necessary to have adequate lighting, especially during complex operations; yet how can successful surgery be performed when there is only enough electricity to make the filament within lightbulbs turn red?

The above are but a few typical cases. The power sector knows that such cases occur and has joined the sectors that use electricity in meetings to discuss and propose many different ways to resolve the problems being faced. However, the phenomena mentioned above keep occurring over and over again.

It can be seen that the first cause of this situation is the failure to reorganize production so that the users of electricity can be more clearly defined. Some sectors have yet to make significant change in this regard and fail to comply with the power sector's regulations on the classification of type 1, type 2 and type 3 consumers of electricity. Within each production installation, there is no separate power network supporting production, especially important plants that must be provided with a continuous supply of electricity of the proper quality. When electricity is being supplied over the power network, each consumer competes against the other, in both production and daily life, considering it to be "sent down from heaven," as a result of which electricity is used in a very casual manner and there is no sense of practicing frugality in its consumption.

As regards those who generate electricity, they have not truly linked the production of electricity to supporting the various production sectors in an effective manner. The power sector produces electricity, supplies electricity and holds every key to the power switches of all consumers. However, because distribution is still partial and spread out, when a problem develops with a

generator, power line or station the sector simply cuts off electricity as it sees fit. Switches are sometimes turned off or on by some workers of the power sector. The sector has also failed to be strict in settling its supply accounts with installations that use electricity and has not closely supervised the use of this strategic material, preferring instead to let things "float along." There have been cases of installations that are operated well and have good contacts being supplied with much electricity even though they do not produce important products.

It must also be realized that the power sector is still encountering difficulties with material-technical bases. Key consumers of the state, who should have separate power lines, actually have 35 kilovolt lines, on which there are more than 200 loads, both priority and other types. The Yen Vien Oxygen Plant, which once had a priority power line with only five consumers, now has as many as 15 consumers connected to its line. Sewing Enterprise Number 10, which took the initiative in working with the power sector to construct a separate line for itself, now shares its line with nearly 20 loads.

Finally, mention must be made of the phenomenon of electricity following persons of the power sector to their homes: in a collective housing area in T. District which had gone for several years without electricity, many persons were told when inquiring about this that priority had to be given to supplying electricity for production. Several families who had electrical appliances thought that they would have to sell them. Then, a cadre from the branch office of the power sector was given an apartment within this collective housing area and electricity began flowing to every apartment night and day. The H. Enterprise, which is not eligible for receiving electricity on a priority basis, provided living quarters for a worker of the power sector within the enterprise's collective housing area and now receives electricity on a priority basis.

Recently, since generator number 1 at the Pha Lai Thermoelectric Power Plant was put into operation, the supply of electricity has improved. Some changes have occurred, most notably the establishment of ties among the power, water conservancy and agricultural sectors to resolve the problem of supplying power to agriculture.

In the years ahead, although the sources of electricity will increase, there will continue to be a serious shortage. The problem we face is that we must make economical and efficient use of electricity. Gaining experience from the recent past, the power sector will surely join the related sectors in once again defining the responsibility of each party, overcome the difficulties that exist and make coordinated and highly efficient use of existing power sources. It is necessary to closely manage the supply and use of electricity in a manner worthy of the special nature of this special product.

7809

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## ECONOMIC PLANNING, TRADE AND FINANCE

### LACK OF SERVICES IN MINING REGION CRITICIZED

Hanoi QUAN DOI NHAN DAN in Vietnamese 9 Feb 84 p 3

[Article by Hong Diep: "The Development of State-Operated Services--a Pressing Matter in the Mining Region"]

[Text] Editorial Note: the Editorial Board of QUAN DOI NHAN DAN Newspaper has received a letter from several readers in the Quang Ninh mining region. The letter read in part: "In our daily lives, we often have a need for tailoring, dyeing, haircutting, bicycle repair and other services. At present, although there are a number of state-operated installations providing these services, they are very small, consequently, practically all of this work is performed by private individuals. As a result, they arbitrarily raise prices in order to make more money, thereby creating additional difficulties and problems for the cadres, manual workers, personnel and troops stationed within the area. We respectfully suggest that the newspaper contact the responsible agencies and inform us why the state-operated installations here do not meet the legitimate and commonplace needs of the people and troops?"

QUAN DOI NHAN DAN Newspaper hereby replies to these readers through the following article written by a cadre of the Public Food-Beverage and Service Department.

Quang Ninh is a province in which as much as 70 percent of the population is not engaged in agriculture and there are some 200,000 manual workers and civil servants in the various sectors and 70,000 cadres and workers in the coal sector. This is not to mention the army units stationed there. Therefore, the need for services is very large and must be met locally.

For ordinary services such as tailoring, haircutting, bicycle repair and the dyeing of cloth, the 700,000 persons who are not engaged in agriculture must spend 150 million dong per year, the 200,000 manual workers and civil servants spend 80 million dong and the 70,000 mine workers spend 35 million dong per year. Meanwhile, state-operated services in 1983 only earned about 5 million dong. A brief look at several essential service sectors shows that state-operated services are truly meager: as far as tailoring is concerned, the state-operated installations of the entire province have only about 100 sewing

machines and 120 sewing machine operators. If these machines were operated at full capacity and each worker worked 26 days per month, they would only be able to sew about one-eighth of the cloth provided to manual workers and civil servants under their yearly rations. In the haircutting sector, there are only six barber chairs and six barbers in the two cities of Hong Gai and Cam Pha. At some places, service installations face closure because of continued losses and the lack of spare parts. Hair styling for women was discontinued 2 years ago and not restored since. There is not one state-operated bicycle repair shop in Uong Bi City.

Because the service force of state-operated installations and cooperatives has not developed and private services are not being managed, self-employed persons have been able to raise prices, thus affecting the daily lives of manual workers, civil servants and the people. The price for making one shirt is 18 dong at a state store and 35-40 dong on the outside; the price for making one jacket is 150 dong at a state store and 600 dong on the outside; the price of a woman's hairstyling has been raised by self-employed persons to 70 dong apiece.

The state-operated services of Quang Ninh have not developed in recent years due to many different reasons; however, the most important reason has been the failure of the agencies that provide guidance on the various levels of the province to truly concern themselves with and create the conditions needed for the development of the services. One comrade maintains that it is not necessary to develop haircutting services in Quang Ninh because it would only result in a loss of capital.

In terms of organization, placing all tailoring, haircutting, dyeing, bicycle repair, watch repair and other services under the Food and Beverage Corporation (at a time when the task of the corporation is very large) would cause the services to become auxiliary sectors with a low volume of business, low profits and so forth. Moreover, the Food and Beverage Corporation does not have enough technical cadres who are well versed in the services to help it provide guidance and create the conditions for these trades to develop.

The marketing cooperatives also have not initiated service activities, consequently, the service forces of the organized market have become increasingly thin and weak.

On the other hand, the economic returns from the state-operated services are not high and this is the main economic factor limiting the expansion of the service business in Quang Ninh. As of the end of this year, a number of trade sectors, such as the dyeing and bicycle repair sectors, were still operating at a loss.

Concern has not been given to establishing some of the conditions needed for the service trades to maintain their operations and develop. The majority of service shops must obtain their own raw materials and spare parts. For example, Quang Ninh requires about 20 tons of dye each year, primarily black and brown dyes, all of which the dyeing shops must procure on their own. When dyes are available, there is a shortage of the chemicals required in dyeing. Therefore, there are times when workers have no work. There also is not a

full supply of spare parts for bicycle repair. A number of special purpose machines used in tailoring, such as sewing machines, hem stitching machines and so forth cannot be supplied in the next 1 or 2 years.

The policies and regulations that have been adopted to encourage workers to concern themselves with raising their labor productivity are also posing problems. Recently, the concerned sectors within the province demanded the re-examination of the payment of contract wages within the services and only allowed an average monthly wage of 250 dong per person in order to bring wages into balance with those of the other sectors. As a result, the payment of contract wages at service shops is being stopped. At one shop, wages have not been paid for 2 months. The improvement of the skills of workers to insure the quality of their work is primarily done by having veteran workers work alongside inexperienced workers; the province has yet to adopt a policy on holding training classes; therefore, the number of high level technical workers can be counted on one hand. In the tailoring trade, the province has only four grade 6 tailors and seven grade 5 tailors, consequently, customers must wait 6 to 7 months to have one suit of western clothing made. Many places now pay technical subsidies to skilled craftsmen, but Quang Ninh does not.

In addition to the network of service shops being small, it is concentrated in the cities and towns and has not been expanded to serve the needs of mine workers. The ways in which service is provided are not flexible. At a time when many localities have initiated "while you wait" repair service and dyeing service, posted their business hours at agencies and provide relatively widespread support, Quang Ninh is still not providing this kind of service to its customers.

In order to expand the services for manual workers, civil servants and mine workers, in particular, we feel that the following several problems must be resolved:

--As regards the organization of management, the state-operated service shops should be combined to form a federated services enterprise subordinate to the Commerce Service and eventually be developed into a specialized service corporation in order to establish an organization that is concerned solely with the development of state-operated services throughout the province and has the function of helping the commerce sector manage the private service trades. The Commerce Service should also have a unit that assists it in observing and guiding service activities.

In the three cities of Hong Gai, Cam Pha and Uong Bi and the various towns, tailoring, haircutting, dyeing, bicycle repair and wedding services must be expanded. The service must adopt a plan for gradually investing in the construction of material bases for these service shops so that they are strong enough to carry out production and provide their service.

It is necessary to plan the supplying of equipment, tools, replacement parts and raw materials to service shops. It is suggested that the province allocate some foreign currency to import those machines, raw materials and parts that are needed but not produced domestically.

--The problem of labor and technical workers for the primary service trades must be resolved by recruiting new labor. Workers in the tailoring, haircutting, hair styling, bicycle repair and dyeing services who are not working in the trade for which they were trained should be provided with jobs in their former trades. The use of contract work should be expanded and higher wages should be paid for extra products that are made at home.

--It is necessary to coordinate with the living standards committees of the mines in organizing mobile teams to provide haircutting, dyeing and repair services at mines or use the facilities of mines to establish permanent service shops.

--Contract wages must continue to be used in a manner suited to each trade. Extra money can be charged for custom services, such as custom tailoring, "while you wait" tailoring and "while you wait" dyeing, as is being done in Hanoi, Ho Chi Minh City and Ha Nam Ninh Province.

7809

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## AGRICULTURE

### LARGE-SCALE PRODUCTION OF INDUSTRIAL CROPS URGED

Hanoi NHAN DAN in Vietnamese 10 Jan 84 pp 1, 4

[Editorial: Carrying Out the Resolution of the 5th Party Plenum: Expanding the Scale of Industrial Crop Production"]

[Text] To gradually advance agriculture from small-scale production to large-scale, socialist production, we must create an efficient production structure, make grain and food product production our central task and develop a full-scale agriculture.

Industrial crops, which are a component of the allocation of crops, of the structure of production, occupy a vital position within the agricultural economy. Over the past few years, the amount of area under the cultivation of industrial crops has increased substantially, especially the cultivation of soybeans, peanuts, sugarcane, tobacco, rubber, coffee and mulberries. Annual crops alone are now being raised on as many as 520,000 hectares. Soybean production has increased the quickest, from several tens of thousands of hectares to 100,000 hectares; sugarcane is being raised in all areas and enough molasses and sugar are being produced to meet domestic needs. The decentralized plantings of mulberries now cover a few thousand hectares. Areas that specialize in industrial crop production have been enlarged and new ones have been established. The increase in industrial crop production, although not yet commensurate with potentials, has significantly increased the quantity of products available for consumption and exportation.

The decision by the party and state to develop industrial crop production is an especially important strategic guideline. The state plans for 1984 and 1985 require that agriculture expand the production of all industrial crops, especially annual industrial crops, with a view toward rapidly increasing the sources of domestic raw materials and sources of export goods. Industrial crop production must reach 1.13 million hectares in 1984. For some important crops, 2 year targets have been established: jute: 50,000 and 100,000 hectares, primarily in the Mekong River Delta; peanuts: 200,000 and 250,000; soybeans: 150,000 hectares and 250,000 hectares; and tobacco: 45,000 hectares and 60,000 hectares. As regards sugarcane, we must provide a full and stable supply to the large mills and meet local needs for molasses and sugar. The cultivation of cotton, ramie, mulberries and coconut for fiber

will be expanded. New land will be quickly opened to cultivation: rubber: 30,000 hectares and 50,000 hectares; coffee: 8,000 hectares and 11,000 hectares; coconuts: 14,000 hectares and 20,000 hectares; and tea production will be increased by 2,000 hectares each year. Oil bearing crops, such as castor oil, palm, t'ung trees and citronella, as well as such special product crops as cashews, cinnamon, anise, black pepper and so forth will be raised by both centralized and decentralized for use in the daily meals of the people and for exportation.

The arable land available for the planting of industrial crops is still quite large. Every area can develop the production of annual crops. However, to reach large-scale production, it is first of all necessary to re-examine land use planning, determine which crops should be the main crops in each area and at each specific site and establish suitable seasons for their cultivation. At the same time, we must establish specialized farming areas and make full use of arable land through companion cropping and multicropping. Importance must be attached to practicing intensive cultivation from the very outset so that industrial crops produce high and stable yields and outputs for many years. We must establish the best possible allocation of rice varieties so that the area under the cultivation of such annual industrial crops as soybeans and other beans can be expanded between two rice crops. Using summer soybeans in multicropping, raising peanuts on hills as companion crops with grain and raising peanuts and soybeans on land that lies fallow during the 5th month-spring season in the mountains are new factors that must be developed upon.

Raising industrial crops on a large scale requires that we mobilize all available forces and properly implement the guideline "the state and the people, the central level and the locality working together" while attaching importance to all three sectors: the state-operated sector, the collective sector and the household sector. We must also broaden the business and production ties among localities, between localities and related sectors and among the collective installations that are sending laborers and persons to new economic zones and the collective installations at those places where the zones are being built.

At present, the yields and output of industrial crops are neither high nor stable and the poor economic returns from industrial crop production is one of the reasons why localities have not developed the strengths that they have in these crops. Scientific and technical work must be improved and support intensive cultivation and the expansion of industrial crop production better by, for example, providing high yield, high quality crops and providing growing seasons, crop allocations and farming techniques suited to each type terrain and ecological area, thereby stimulating higher crop yields.

The development of industrial crops demands the reorganization of production at installations and within districts; demands the improvement of the management mechanism and the good implementation of product contracts in a manner suited to each type of production; and demands that the building of processing plants within each area be well coordinated with suitable forms and scales of production. We must implement the economic policies that have been promulgated well and suitably revise and amend new policies with a view toward

providing incentive for the development of industrial crop production. We must adopt a policy regarding new areas raising industrial crops that harmoniously combine the interests of the persons in production, processing and circulation and place the interests of producers in a position of foremost importance. As regards specialized farming areas, the norms of the state plan must be balanced with the supply of technical materials and these materials must be delivered to production sites on schedule. We must have a full supply of the materials and goods required under production plans, for centralized areas as well as areas that raise industrial crops in a decentralized manner. We must provide a timely supply of grain to centralized industrial crop areas. A policy must be adopted that provides benefits and incentive to technical cadres who work in industrial crop production areas.

Advancing industrial crop production to large scale, to a scale two or three times as large as the present scale, and achieving high economic returns are a major campaign, one that will take many years to complete.

In keeping with the resolution of the 5th Party Plenum, the entire country must work hard, take the first step in implementing this program of strategic significance, make the best possible use of labor and existing material-technical bases in a manner closely linked to arable land, develop the strengths of our tropical agricultural economy, meet plan norms and produce a large output of industrial crops of high value, thereby helping to quickly increase the accumulation of capital for the industrialization of the country.

7809

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## AGRICULTURE

### DONG NAI REPORTS ON DEVELOPMENT OF RUBBER INDUSTRY

Hanoi NHAN DAN in Vietnamese 10 Jan 84 p 2

[Article by Thien Anh: "The Dong Nai Rubber Forest"]

[Excerpt] Eastern Nam Bo is our country's largest rubber growing area. In Dong Nai alone, rubber covers 35 percent of the province's land and annually supplies 45 percent of the entire sector's pre-processed latex. The province is making concerted investments in many areas in the production of rubber, which is one of the four strengths of the Dong Nai economy and a crop of high export value.

#### A Large, Specialized Farming Area

Years ago, many French capitalists established three corporations in Dong Nai (the Sip, Dat Do and NCD Corporations) and a network of 12 plantations and four latex processing plants to support the harvesting of rubber. Following liberation day, due to the capitalists' policy of plundering the region's wealth and the massive destruction caused by U.S. herbicides, rubber production within the region was characterized by an exhausted labor force, exhausted rubber trees and worn out machinery. To rapidly restore and strongly develop rubber production toward large-scale socialist production, the Dong Nai Rubber Corporation was quickly established on the basis of the three old corporations. The province and the Rubber General Department planned rubber forests encompassing the six districts of Xuan Loc, Chau Thanh, Tan Phu, Thong Nhat, Xuyen Loc and Long Thanh. Over a period of 8 years (1976-1983), 21,000 hectares were cleared and planted with rubber trees, thus bringing the amount of area under rubber cultivation to its present level of 42,000 hectares, 21,000 hectares of which are old trees that have been properly cultivated and regularly harvested. At present, the corporation has 18 farms and five processing plants with a capacity of 25,000 tons of latex per year (the six farms and one processing plant that were recently constructed are: the Cam Duong, Xa Bang, Cu Bi, Hoa Binh, Thai Hiep Thanh and An Vien Farms and the Tam Hiep Processing Plant). Having begun with only 5,000 workers, more than 70 percent of whom were women, elderly persons and children, the corporation now has a large force of some 33,000 workers. The number of technical workers, who work primarily in harvesting and planting, is constantly growing. They have come from Bien Hoa City and Ho Nai to build

new economic zones and become farm workers. In 1983, more than 1,000 hectares of rubber trees planted 7 years ago were harvested for the first time and produced good quality latex. In 1984, the corporation will clear and plant 5,000 hectares and begin harvesting more than 700 additional hectares. The province's target for 1990 is to establish a specialized rubber growing area measuring 80,000 hectares. To complete this economic task of strategic significance, the Dong Nai rubber sector has attached importance to the elementary and advanced training of cadres. The province and the Rubber General Department have helped the corporation open a work-study school in the Suoi Tre area of Xuan Loc District to provide a level III academic education, at the completion of which students are sent to colleges and middle schools, and a "supplementary rubber cultivation technical" school in preparation for training cadres for the new farms that will be established later. More than 150 key cadres consisting of directors, deputy directors and trade union secretaries at the various farms are attending on-the-job classes in economics and politics. More than 200 children of workers are attending domestic colleges and middle schools or have been sent overseas for training in the techniques involved in rubber tree production.

7809

CSO: 4209/189

## AGRICULTURE

### GIA LAI-KONTUM NATIONAL ASSEMBLY DEPUTY REPORTS ON ECONOMIC PROGRESS

Hanoi NHAN DAN in Vietnamese 18 Jan 84 p 3

[Article by Kpa Thin, Gia Lai-Kontum Province National Assembly deputy:  
"Endeavoring To Increase Grain Output"]

[Text] Since liberation day, especially since 1981, the armed forces and people of the ethnic minorities of Gia Lai-Kontum Province have displayed self-reliance and made every effort to carry out economic and social development. In 1981, 1982 and 1983, the people of the province, a province that once experienced food shortages and hunger, not only eliminated hunger, but also fulfilled their grain obligation to the state and sold grain over and above their obligation. In 1984 and 1985, we will try to increase the output of grain and mobilize much more grain for the state. Livestock production has developed rather quickly. In 1984-1985, we might be able to meet and exceed the targets of 260,000-270,000 buffalo and cattle and 280,000-290,000 hogs. We will also concentrate our efforts on strongly developing industry in the years ahead by, for example, expanding rubber cultivation to 150,000 hectares at farms of both the central and the local level, harvesting and processing timber and increasing the sources of export goods.

To perform these jobs well, we think that it is necessary, in the years ahead, to quickly complete the settlement of nomads among the ethnic minorities, with efforts focusing on building a number of communication, water conservancy and power projects, the most pressing ones being the lower Ialy Adua communication, water conservancy and hydroelectric power project, which must be officially recorded in the state plan at an early date. We also suggest that regular and appropriate concern be given to closely linking economic construction to national defense and the maintenance of security in the Central Highlands.

The cadres and sectors on the central level must concern themselves with helping the province to develop material and technical bases and its supply of breeding stock, fertilizer and pesticide; at the same time, they must concern themselves with building additional cultural halls, hospitals and public health stations in the districts and villages and quickly completing the construction of enterprises processing medicine and tonics within the locality. Besides training local cadres and workers, we also see the need to invest additional skilled scientific-technical cadres and skilled workers in the province and adopt policies concerning those cadres who work on a permanent basis in the Central Highlands.

## HEAVY INDUSTRY AND CONSTRUCTION

### INCREASED PRODUCTION OF BUILDING MATERIALS SEEN AS URGENT NEED

Hanoi NHAN DAN in Vietnamese 18 Jan 84 pp 1, 4

[Editorial: "Developing the Production of Building Materials"]

[Text] In keeping with the spirit of the resolution of the 5th Party Plenum, the state plan for 1984 provides for a 32 percent increase compared to 1983 in investments in capital construction by both the central and local levels. The problem that must be resolved well to insure that this task is carried out is to accelerate the production of building materials. The need for building materials, the need for different types of materials and higher quality products are constantly rising, not only for the construction of key projects in industry and agriculture, but also for civilian projects, for housing in the cities and industrial zones and for use in two-way trade with farmers.

In 1983, operating under a shortage of materials, fuel and means of transportation, the building materials sector, on both the central and local levels, by displaying a high spirit of self-reliance, establishing joint businesses, practicing cooperation and making good use of labor and available raw materials, produced 17.5 percent more construction bricks, 28.3 percent more roof tiles and 9.1 percent more lime than in 1982. The provinces of the Mekong Delta, by using peat and firewood as fuel, managed to produce 80 million more bricks and tiles than in 1982. In the delta, a number of newly established state-operated installations went into stable production. Most importantly, the building materials sector put two production lines of the Bim Son Cement Plant into stable operation. Good results have been achieved in the trial operation of the Hoang Thach Cement Plant. The operations of these two large plants create favorable conditions for producing twice as much cement in 1984 as in 1983.

The efforts made by the building materials sector last year were an important contribution in providing a timely supply of building materials to many key projects, thus enabling them to increase the construction rate and exceed plan quotas; at the same time, these efforts contributed to a significant increase in the supply of goods available for the procurement of grain, agricultural products and export goods. However, the results that have been achieved are still not commensurate with existing equipment capacity, with the potentials that lie in labor and natural resources or with the domestic sources of raw materials and fuels that can be developed. At times, some cement plants must reduce their level of operation and only utilize one-half of their capacity

because of the instable supply of electricity and coal; in addition, the products produced are not shipped directly to markets. The state-operated brick and tile installations and cooperatives have the ability to produce more than 5 billion bricks and tiles of all types each year; last year, however, they only utilized slightly more than one-half of their production capacity. Local sources of coal and the coal among the ashes at power plants, which can be used to bake bricks and tiles, and the sources of cinders, powdered stone and adhesives that can be used to produce unbaked bricks are still plentiful but they have not been properly utilized. In the delivery of products to the central level, some localities have not strictly complied with their plans and many places have only delivered about 50 percent of the products required. As a result, the construction of some key projects has dragged on, thus tying up investment capital. Meanwhile, due to poor management, more than a few places, including important construction sites, have allowed cement, bricks, tiles, lime, stone, steel, lumber and so forth to be damaged, lost or slipped to the outside in considerable quantities.

Developing building materials production is a pressing requirement, not only in meeting immediate construction needs, but also in preparing for construction in the years ahead, which will be carried out with much larger investments and on a larger scale. The annual rate of growth of the building materials sector must be much higher than the rate of growth of capital construction. To accomplish this, it is necessary to develop existing capabilities and potentials and make full use of each source of wealth within the country and each type raw material needed for the production of building materials. The excavation and production of materials used in construction must be strengthened through various manufacturing and production measures and by obtaining additional equipment and tools, such as stone saws and cutting machines and brick presses. In the immediate future, the building materials sector must be reorganized and provided with an efficient division of responsibilities and labor in order to gradually implement the guideline of centralization and specialization, make appropriate, selected investments in new construction and redevelopment, expand state-operated installations in a well coordinated manner to medium and large scale and gradually achieve mechanization and modernization while developing medium and small-scale installations in the localities and guiding the joint public-private installations, cooperatives and private individuals producing building materials in the South in developing their production in the proper direction. As regards the new, large-scale projects with modern equipment that have been and are being put into production, we must quickly complete the work that must be performed to achieve smooth coordination in production so that equipment can be operated at capacity at an early date. On the other hand, we must plan and quickly establish "belts" producing raw materials for the key projects that will be constructed in the years ahead. We must put an end to the very costly and wasteful practice of shipping building materials over long distances to construction sites at a time when local sources of building materials are not being utilized.

Developing the production, strengthening the management and increasing the quality of building materials in order to meet the demands of building the material-technical bases of socialism are an urgent requirement and an important guideline of the entire building sector.

## LIGHT INDUSTRY

### CONFERENCE REVIEWS SMALL INDUSTRY, HANDICRAFT EFFORTS

Hanoi NHAN DAN in Vietnamese 10 Jan 84 p 1

[Article: "Small Industry and Handicraft Sector Focuses Efforts on Raising Productivity, Quality and Production Efficiency in 1984"]

[Text] The small industry and handicraft sector has held a conference to review the implementation of the 1983 state plan, gain a thorough understanding of the resolution of the 5th Party Plenum and set forth specific measures for promoting the implementation of the 1984 state plan. The focal point of the sector's efforts in 1984 is to raise its productivity, quality and production efficiency.

In 1983, overcoming difficulties with supplies, raw materials, energy and the weather and the lack of coordination among a number of policies designed to provide incentive for production, the sector exceeded its plan quota on total output value by 4.8 percent, a 8.9 percent increase compared to 1982. Total output value grew by 8.2 percent in the northern provinces and 9.2 percent in the southern provinces. The output of products and goods produced from domestic materials readily available in the various localities increased considerably, such as the production of building materials, the processing of agricultural and food products, the production of textiles and leather, tailoring, dyeing and so forth. Sugar output reached 256,000 tons, a 50,000 ton increase compared to the previous year. Some 2.5 million more square meters of rush mats were exported than in 1982. Essential oil output totalled 61 tons. The excavation of stone for key projects reached the highest level ever, 1.31 million cubic meters.

In support of agriculture, the production of plows, harrows, improved carts and so forth increased by 14.9 to 78 percent compared to 1982. The handicraft textile trade was restored and developed. Because the supply of thread was larger and more regular, cloth output totalled 74.6 million meters. Importance was attached to developing the handicraft trades within agriculture. Today, 90 districts in the country are producing small industry and handicraft products worth 10 million dong or more. Dozens of districts are producing goods worth 20 million to 30 million dong.

The development of the potentials that lie in labor, arable land and the trade sector has been given attention but this development has yet to become uniform. The quality of products, especially some export goods, such as embroidered products and rugs, has declined. The volume of products delivered to the state that are produced from raw materials acquired by producers themselves is low. There are still many weak and deficient cooperatives and production teams and so forth.

In 1984, the entire sector will focus its efforts on developing its potentials and increasing the production of consumer and export goods. Production will be accelerated in all three production sectors, the professional, semi-professional and household handicraft sectors. The main guideline will be to develop those product sectors that use raw materials from agriculture, fishing, forestry and so forth. The development of production will be promoted in the cities, the lowlands and the mountains. The repair and service installations will be expanded and production will be accelerated in the mountain provinces. Do Muoi, member of the Political Bureau and vice chairman of the Council of Ministers, attended and addressed the conference. After praising the major efforts made by the small industry and handicraft sector in the implementation of the 1983 state plan, he reminded the sector of the need to deeply understand the resolution of the 5th Party Plenum and make productivity, quality and efficiency the targets and measurements of its production and business. Importance must be attached to making investments in and providing technical equipment for production in order to constantly raise labor productivity and product quality. Together with developing production in the cities, towns, countryside and lowlands, special concern must be shown for developing production and making technological investments in the mountain provinces and helping them increase their handicraft production for the purpose of meeting the needs of the ethnic minorities and the armed forces for essential consumer goods.

While emphasizing the need to develop potentials, it is also necessary to protect the environment, conserve natural resources so that they can be used for many years and enrich local sources of raw materials. As regards the delivery of products to the state, Do Muoi stressed the need to consider it to be the obligation and responsibility of each person and each production installation. All products produced, regardless of the source of the supplies used to produce them, must be concentrated in the hands of the state so that they can be distributed throughout society. By upholding the right of collective ownership and making use of the combined forces of the millions of handicraft workers throughout our country, we will surely bring about a profound change in this sector of the collective economy and help to make the fatherland prosperous.

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## TRANSPORTATION AND COMMUNICATIONS

### GROWTH OF POST-TELEGRAPH SECTOR IN 1983 VIEWED

Hanoi NHAN DAN in Vietnamese 18 Jan 84 pp 1, 4

[Article: "Post-Telegraph Network Expanded, Quality of Communications Improved"]

[Text] Last year marked a new stage of development in many areas of the post-telegraph sector. The volume of service increased and the quality was better in several areas as a result of beginning to make effective use of the Da Nang-Ho Chi Minh Technical Center in coordination with several communications projects that had been put into use previously. The number of kilometers of carrier channel increased seven-fold compared to 1976 and 71 percent compared to 1982. For the first time, success was achieved in establishing telegraph and telephone communications between the central level and all 40 provinces and municipalities of the country and telephone communications between the central level and 437 of the 473 districts and towns. The communications project along Route 1A (Hanoi-Ho Chi Minh City) linked 66 additional districts and towns by telephone to the central level. The efficient arrangement of communication channel bands and the installation of regional switchboard centers in the three major cities (Hanoi, Da Nang and Ho Chi Minh City) have corrected the problem of telephone conversations overlapping, reduced the time that must be spent waiting for service and increased the speed and number of normal conversations on the north-south network. Many localities, especially the central and southern provinces, made an effort to expand, strengthen and improve the quality of communications. Phu Khanh Province established a relatively complete communications network and manufactured and installed a convenient, push-button long distance switchboard, thus bringing a new style of work to post-telegraph personnel.

Although it continued to occur, the theft of communication wire decreased significantly compared to 1982.

With the opening of the Hanoi-Hoa Binh, Lai Chau, Pho Lu (Hoang Lien Son), Bac Giang and Dinh Lap delivery routes and the one-way newspaper delivery route from Ho Chi Minh City to Ca Mau and the extension of the Hanoi-Dong Binh route to Lang Son, the main network of postal delivery routes grew by 800 kilometers. Overseas delivery routes were opened between Haiphong and Rostock via ships of the GDR and between Haiphong and Hong Kong-Tokyo via Vietnamese

ships. In response to International Information and Communications Year, the post-telegraph facilities of many localities were strengthened and began providing more convenient service. During the final 4 months of the year, in accordance with a new transportation agreement, the sector quickly took delivery of postal matter being carried by four ships from the GDR and distributed it in a well organized manner.

However, delays in delivery and the loss of letters, press materials, packages and other postal matter are still a problem on which efforts must be focused.

This year, the post-telegraph sector will continue to strengthen and improve post-telegraph service in coordination with the reasonable construction of new communication networks. It will implement the guideline "the central level and the locality working together" better in the development of the level II and level III networks and the guideline "the state and the people working together" in the development of telephone networks serving agriculture.

The post-telegraph sector is intensifying the "high quality communications, high labor productivity and economic efficiency" campaign. In the immediate future, an effort will be made to quickly delivery letters, newspapers and telegrams during Tet, with attention to the most remote places and troop bases.

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